Report on Food Industries (p. 15 - 24)

THE FINANCIAL POST

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The Nation's Business

Meet Charts Course; Tests Our Sincerity

This week representatives of 44 members of the United Nations gather at Atlantic City for the most important United Nations meeting yet held. It is the Relief and Rehabilitation Administration Conference. The meeting is of utmost significance for three reasons.

1. Out of it will come the first operating organization of the United Nations, implementing the principles of international co-operation set forth in the Atlantic Charter and at Moscow.

2. To be faced and settled is the terribly difficult administrative job of supplying relief and working out the rehabilitation of nations which have suffered demolition, exhaustion and worse.

3. In some respects most important, the Atlantic City meeting will be a testing ground for a whole new set of concepts for international living; will, probably, do a lot to determine the lines along which the machinery of continued international collaboration will be built.

President Roosevelt described the earlier United Nations food conference at Hot Springs merely as "housebreaking" top-flight U. N. representatives for the difficult job of living and working together in the postwar world.

Successful as that conference was, its job was largely discussion and the passing of resolutions.

Atlantic City has to get down to blueprinting a job to be done, and getting action now to prepare for the task ahead. It is full of political, economic and social pitfalls. It will test to the utmost the ingenuity, goodwill, commonsense and patience of the participants.

What has to be proved at Atlantic City is that all the fine talk about postwar co-operation is more than fine talk.

BUILDING FROM THE BOTTOM UP

What machinery of postwar collaboration between nations are we going to have?

With the League of Nations, we started building an international body from the skies down. This time we are building from the ground up. We have one United Nations' organization dealing with food. At Atlantic City, representatives are creating another organization dealing with relief. Another body on postwar aviation is likely to come out of the forthcoming conference on that knotty problem. Another on currency and stabilization is likely.

This system of functional bodies is very promising. It looks like the right way to build an international organization. In effect, it means that representatives come together with this point of view: "Here's one specific piece of work we can do; whatever our differences on other things, here is something we can agree about."

While this system may not please the theorists; while some over-all plenary body directing international collaboration in all its aspects may, eventually, be desirable, and was forecast in the Moscow declaration, this "one bite at a time" approach is extremely realistic.

It promises to get specific pieces of work done; to give all nations further "housebreaking." Above all, it eliminates the extreme danger inherent in a body like the League of Nations of disagreement on one issue wrecking the whole international structure.

For Canada, the Atlantic City deliberations have special importance.

Canada will likely be one of the major "supplier" nations in the job of distributing food, seed, perhaps foundation livestock, building materials, machinery, manufactured goods and technical men.

In view of that role, our representatives have strongly urged that the ruling body of UNRRA be chosen on a functional basis; that Canada deserves a high place on this body along with the Big Four Powers, because she will be so much affected by its operations.

Our claims have brought no alteration in the original plan, but it is expected that Canada will be named chairman of the important committee on supply in lieu of not having a seat on the governing council.

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ARE WE READY TO PAY THE PRICE?

Before long, it is inevitable that the easy and exuberant beliefs of most Canadians in international collaboration will be put to the test.

In the flush of wartime urgency and single-mindedness in the cause of victory, internationalism sounds easy.

Actually, carrying it out may be a bitter burden for the Canadian people. Rehabilitating Europe may make a bigger call on our own dwindling supplies than helping Britain and other beneficiaries of our Mutual Aid program.

Inevitably there will be clamorous protests that we are doing too much; that we aren't doing enough; that there are the hungry and the ill-clad at home who should be given a home, a car and a bank account before we worry about getting Europe back into operation.

We have now with us many believers in the gospel of something for nothing. They expect full stomachs and warm backs without toil. They expect economic security without exchanging for it self-discipline or loyalty. They expect better than average rewards without exchanging for them better than average energy or ability.

The something for nothing theory won't work any better in the international field than it will in the national field.

If we want an orderly prosperous world, we will have to pay for it somehow. Some cost, some kind of sacrifice is inevitable. Good intentions, and oratorical enthusiasm about the theory of internationalism won't get us anywhere.

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DELAYS IMPERIL THE FUTURE

The fact that Mr. Churchill took the trouble to say that he didn't believe Germany would be licked before 1944 lends weight to The Financial Post contention that the Administration is seriously imperilling the future of this country by delay in announcing postwar policies.

Canada looks to its business enterprises to provide employment, i.e., to provide the real social security.

Yet, by continued silence on basic postwar policies, the Administration makes it impossible for business to do the planning that is indispensable to fulfillment of the task society expects of it.

For some industries, the "postwar" period is here already, has been for some months. They are the industries which prepare other industries for production.

There is very considerable easing in the supply situation of some commodities which means that a measure of reconversion can be undertaken at once. It is high time that full use be made of these skills and facilities and that, where possible, reconversion be proceeded with promptly.

What Ottawa is going to do about disposal of the enormous amount of machinery it owns is vital and indispensable information for business planning.

A news article on this page reports that Ottawa is on this problem now. This is as it should be and an early definition of policy is to be hoped for.

Admittedly, Ottawa's problem is difficult. There are unknowns in its calculations too. Some will want to interject politics. It is too much to hope that businessmen will be unanimous in their approval of any policy.

But the matter is supremely urgent for Canada and Canadian workers.

Put October Job Layoffs Near 5,000

Actually Will Fill Only 5% of Gap in Manpower Front, Says NSS Officials

By STAFF WRITER

OTTAWA.—A rough estimate of the number of persons laid off during October, as a result of cancellation or tapering off in war industry, is placed at 5,000, The Financial Post is informed.

This figure includes 2,000 men laid off in shipbuilding plants in the East and West.

These figures apply to prime contractors. They do not include layoffs by subcontractors who may be affected by cancellation of the prime contract.

Ottawa officials feel it is most important that these figures related to the demand for male workers at present existing across Canada.

National Selective Service officials are said to have on hand now requests for over 100,000 male employees in A and B category industries exclusive of pulpwood cutting.

This means that layoffs on prime contracts during October were only 5% of the demand for manpower. For every man laid off on a prime contract, 20 were wanted in some other branch of high priority war industry.

Figure Inflation

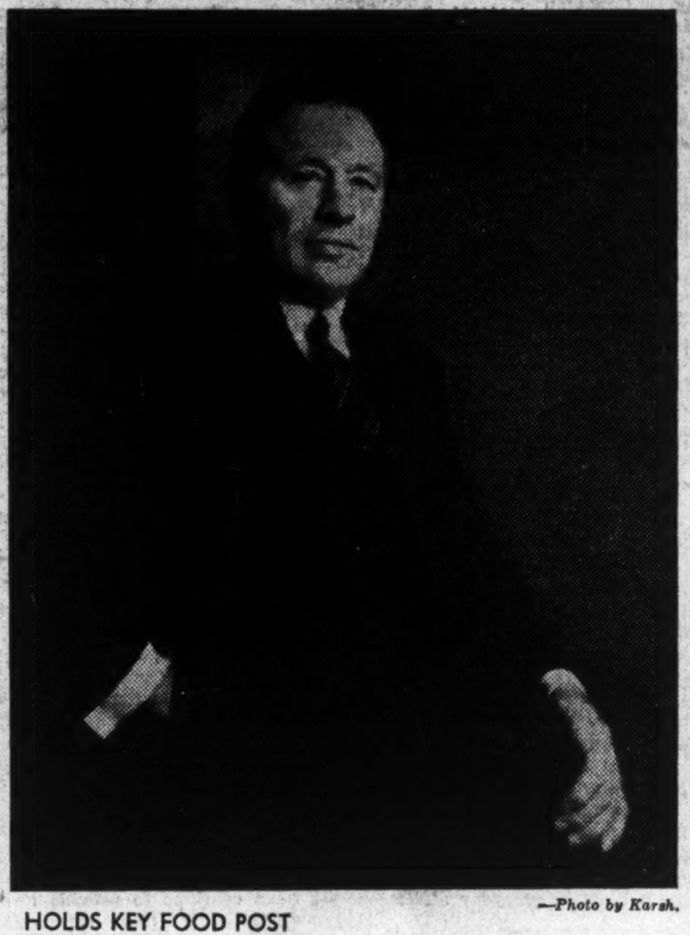
Exact distribution of these manpower demands is not known. The over-all figure of more than 100,000 is said probably to include some inflation on the part of firms and employers who ask for 100 men, hoping they may get 10.

A breakdown of the total would probably show about 20,000 were needed in logging; about 40,000 in metal mining and manufacturing; about 25,000 in transportation and public utilities.

Undue prominence, it is felt here, has been given to plant layoffs in relation to the whole employment and manpower picture. It is claimed that the actual effect of these layoffs to date has been highly disappointing in relation to filling the important backlog of demand

A case in point is the closedown of the gun division of Ottawa Car and Aircraft a few weeks ago, which was reported as throwing 1,800 persons out of work. Fact is said to be that only 400 to 500 people were involved and that as many as 10 different companies in various parts of the province wired at once to know if they could send their employment officials to Ottawa to rehire the men. It is reported that Selective Service officials placed the men so quickly that Ottawa Car itself did not get as many men as it would have liked to have rehired.

Incidentally there has been considerable criticism of the way this particular layoff was handled. The notice from DMS, indicating the order would be cancelled, reached the company some 10 days before date of cancellation. Instead of giving the employees notice, a layoff notice was posted at once telling the employees to quit work and collect an extra week's pay.



—Photo by Karsh.

HOLDS KEY FOOD POST

Hon. James Garfield Gardiner, Dominion Minister of Agriculture has just been appointed to fill Canada's new position of full membership on the Combined Food Board of the British Empire and the United States. Mr. Gardiner will also head up the conference of provincial and dominion agricultural officials at Ottawa next month when farm food production goals for 1944 will be set. Short, stocky, a powerful speaker and a strong supporter of the United Church, "Jimmie" Gardiner has been in active politics since 1914, and was twice premier of Saskatchewan before coming to Ottawa. Of Scottish ancestry, he was born on a farm near Exeter, Ont., in 1883 and was educated there, in Nebraska, Manitoba and Saskatchewan. He owns two farms, one in Saskatchewan and the old homestead in Ontario. His duties have a widespread effect on the food industries of Canada reviewed in a special report starting on page 15.

J. L. Lewis Dictatorship Factor in Coal Strike

By STAFF WRITER

OTTAWA.—Though the coal strike air cleared last Saturday in a manner as sudden and mysterious as anything that has happened in a long time, it is feared that internal politics may leave thousands of western homes in a desperate plight this coming winter.

The western mine politics which may completely upset the Ottawa settlement, involves the fact that District 18 of the UMWA (which embraces the western Canada coal fields) is a union "in administration." That means the union representatives are not the chosen or elected representatives of the miners, but were originally placed in charge of the union by Washington headquarters some years ago.

This is the sort of discipline which Lewis and his associates impose on local and supposedly autonomous union organizations. It is a procedure that is galling to the miners. It is something which Mr. Lewis has repeatedly tried to do recently to Local 26 at Glace Bay—without success.

What seems to be happening in the West, is that the miners are taking things into their own hands and are using the opportunity of the Ottawa settlement, known to be disappointing to miners, to show their displeasure at what their head office-appointed bosses have done for them. What the eventual outcome may be is not yet clear, except that early optimism that the miners would all be returning to work at once has proven unfounded. Meanwhile, the supply situation for western homes grows more precarious as irrecoverable days are lost.

Just why the miners' representatives suddenly decided to return home is far from clear here. What they brought back to their membership in the Alberta and B. C. mines seemed small in relation to their demands. About the only concession obtained from Ottawa (so far as anyone here can ascertain) was an understanding that the O'Connor Royal Commission, which is now investigating their demands, should have the status of a regional appeal board. The miners were also promised that the Commission must report its findings by Nov. 20.

An appeal from the regional board findings to the National War Labor Board is still possible. The miners wanted no such right of appeal but wanted the Commission to be a final arbiter. This concession was turned down on the argument that it would have created a precedent which might have completely destroyed the

(Continued on page 2, col. 6)

More Talks Due Postwar Air Policy

Expect G. B., Canada to Urge Regulatory International Body for Air Traffic

By STAFF WRITER

OTTAWA.—With the London parleys as a background, Canadian officials are now said to be ready and waiting for United States to take the next step and call a round table meeting at Washington to discuss postwar civil aviation.

Both Lord Beaverbrook and Hon. C. D. Howe have indicated that they expect further conferences to materialize, but as yet nothing has been heard from the U. S. capital as to when they will take place.

It is expected that the first parley will include Britain, United States, Canada and possibly Russia. There may, however, be preliminary talks between the Anglo-Saxon trio, prior to talks with Russia. Subsequently, if all goes well, a larger conference will probably be called at which other Commonwealth and interested United Nations' representatives will be invited.

Though the Government is said to have pretty well crystallized its points of view so far as international postwar civil aviation, this does not mean that the future policy is by any means clarified. What Britain and Canada are expected to urge at Washington is some form of regulatory international body under which each country will operate its "designated" service to compete (under regulation) for postwar transoceanic trade.

Canada To Fall In Line?

But should the United States come out in favor of competing international air lines for each country, rather than a designated single line, and should Britain be willing to accept this formula, then it is thought that Canada would fall in line and would abandon her present expressed desire to operate transoceanic services over one "designated" route.

This principle of international operation through a single "designated" agency was one of the important features of Prime Minister King's statement of policy enunciated in the House of Commons last April. It is thought that it is essentially the one which Canada is pre-

(Continued on page 2, col. 4)

5th Loan Buyers Set New Record

Most recent total of subscriptions for Canada's Fifth Victory Loan is announced as $1,337.9 millions. This compares with $1,309 millions, final figure for the fourth loan, up to then the greatest amount ever raised in a single campaign by Canadians.

Individuals bought a total of $538 millions, a figure which may be exceeded when final data are compiled, compared with a quota of $525 millions for this class of subscriber.

Total number of bond purchasers from returns compiled to date is given as 2,607,276, a total 340,000 more than at the same stage of the fourth loan.

Crown Company May Sell Excess Stocks

Officials Form Plans to Handle Surplus Machines, Materials and Goods Not Required For War Uses

By KENNETH R. WILSON

OTTAWA.—Plans are under way here for setting up almost immediately an organization to deal with the disposal of vast and as yet uncharted surpluses of goods, machinery, equipment, materials, etc., which will be the government's legacy as war need tapers off.

No final decision has been reached, but it is thought likely that a new Crown company will be created with specific instructions as to the general principles on which surplus stocks and supplies are to be disposed.

One of the most urgent matters now requiring immediate action, and a matter which it is thought to have brought this whole question to the decision point, is the question of what is to happen to machine tools which have now served their purpose but which are still the property of the Government. Is the company where these tools have been installed to have the opportunity to purchase them from the Government now the war need for which they were purchased has come to an end? If so, at what price and under what conditions is the Government going to dispose of them?

Recent cancellation of orders by the Government has left a considerable number of government-owned machine tools out in the postwar cold. In many cases, individual war contractors are anxious to purchase these tools for their own use, but at present there is no mechanism by which such purchases can be consummated.

Machine tools are, of course, only one phase or segment of the larger problem of surplus stocks and inventories of one sort or another which must inevitably face the Government at some time in the future. Already, for instance, scrap aluminum is piling up on this continent. There is probably enough brass on hand in Canada and the United States to last the continent years when hostilities cease.

Ultimately there will be huge stocks of metals, of machinery, of equipment, tools, etc., which must be disposed of or withdrawn from consumption so as not to upset too greatly the return of business from war to peacetime operation. Each of these problems will require individual attention, but there must be some over-all program or principles governing sale or disposition.

Revised Wage Control Coming from Meeting

Provincial-Dominion Meeting to Develop Formula But Chief Hope for Anti-inflationists is Speedy Victory

By STAFF WRITER

OTTAWA.—The new pattern for wage control and labor relations policy is emerging here as a score of representative provincial officials and ministers of the Crown meet their opposite numbers in the federal government to discuss a new labor code for Canada.

Primarily the provincial experts were called here to go through the proposed plan for setting up a new wartime National Labor Relations Board, completely separate and apart from the present National War Labor Board and charged with responsibility for handling all jurisdictional and labor relations disputes under a new Dominion compulsory collective bargaining and arbitration code.

Such a scheme arises out of the McTague report to the government, not yet released officially. Since it would be administered provincially, in much the same way as most wage disputes are now handled regionally by provincial labor boards, it was thought necessary and desirable to have consultation with the provinces before announcing or implementing it.

Affect Ultimate Pattern

Difficulties which have been faced in recent days and weeks and which will affect very materially the ultimate pattern of the legislation include:

1. Unwillingness of the federal cabinet to put teeth in the order to require responsibility on the part of the unions.

2. Indicated desire of Quebec to operate its own law rather than a federal statute.

3. Unwillingness of some provinces to set up new regional boards parallel to the conciliation machinery now operating for wage and other purposes.

In the background of the labor code discussions is the government's proposed wage control order, also the subject of long and protracted cabinet discussion. The order sets out a new formula to replace the present Section 25 of the present Wage Control Order which both Mr. Justice McTague and Mr. Cohen are reported to have classed as obsolete and ineffective.

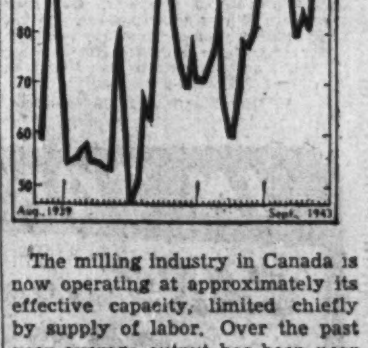
Not Too Optimistic

There is no great optimism here in Ottawa that the new formula will be of very great consequence in halting the upward trend of wage rates and wage adjustments. What is felt here is that the most important factor right now on the side of anti-inflationary forces is the element of time.

There is considerable confidence here, that victory is sufficiently near to warrant the hope that Canada may be able to hold her wage-price stabilization policy together long enough. Irrespective of what sort of a wage control formula is ultimately adopted, it is believed that other forces, such as the spectre of unemployment and the tapering off in demand for certain types of war industry, will loom larger in the not too distant future and that this factor, perhaps more than anything else, may play an important role during 1944 in relieving the pressure on the wage side of the stabilization balance.

The new wage control order contains no reference to family allowances. Some modified proposal along this line is believed still to be in the government's mind, but it will be announced and implemented separately and without any official connection with the wage control order.

Pace of Business



The milling industry in Canada is now operating at approximately its effective capacity, limited chiefly by supply of labor. Over the past year average output has been near a record level, with no apparent slackening in sight. This chart illustrates the wartime trend of wheat flour production, using as its measure the percentage of milling capacity utilized from figures supplied by the Dominion Bureau of Statistics.

For a complete story of Canada's food industries see supplement starting on page 15; for business statistics see page 7.

Road to Industrial Peace

Appraises Human Factors in Production Teamwork

Ralph Presgrave, author of this, the second of two articles, is vice-president of J. D. Woods & Gordon, a Canadian firm of industrial engineers.

By RALPH PRESGRAVE

In the first of these two articles, I pointed out that war's effect on Canadian workers was of two kinds; first, physical; second mental.

Physically, I submitted the view that the amount of new skills learned by Canadian workers in war industry was, in fact, very limited and that the trend of modern industrial technology was away from skilled workers to the relatively unskilled. I suggested that thousands who, during wartime, have acquired a new skill cannot hope to use it in civilian life.

What about war's effect on workers mentally, psychologically? What is the way to more stable and more satisfactory industrial relations for everybody?

Put in its briefest possible form I would say: The hope of Canada's industrial future lies in education —education in the biggest sense of the word: education of each individual in the methods of his calling, in recognition and understanding of the problems of those with whom he must deal.

Glance over the background:

One wartime phenomenon that has upset many people and would upset many more if they were aware of it is the amount of inefficiency that has developed in both civil and military production.

In view of the fact that Canada's wartime industrial effort has resulted in the almost incredible output of an immense variety of goods this apparent paradox calls for some explanation.

Civilian goods manufacture has been hampered by the loss of its best people to the armed forces and to war industry. It has had to get along in most cases with a high proportion of people whose abilities and loyalties are of a rather low order.

Rapid turnover, absenteeism and irresponsibility have made efficient operation extremely difficult. However, aided by a nucleus of first-class old employees and exercising a patience and ingenuity that it did not know it possessed, civilian industry has done excellently and will emerge better equipped than ever to meet its problems.

In this respect, war has benefitted civilian industry. The present inefficiency, is actually a high degree of efficiency when viewed relatively. The difficulties will pass and should have no lasting ill effect whatever.

War industries, generally, in direct contrast to civilian industries, have not used their ingenuity to scrape by with minimum staffs, but have used it rather to produce goods as quickly as possible without much regard for costs.

In the emergency, this is as it should be. A niggling approach might have meant defeat. Thus, while we may deplore the fact that most war plants do not make anything like full use of their manpower, we dare not be too critical.

For the most part they have put first things first and have not wasted precious time in trying to get maximum individual efficiency, in combatting irresponsible unionism, in putting costs ahead of output, in controlling wages and so on.

However, from a postwar viewpoint, it is thought by many that industry will be flooded with workers who have been spoiled by unduly high wages and slack practices and pampered by all sorts of flashy "morale-building" schemes. It is almost certain that this is a passing phase, distasteful even to many who acquiesce in it, or who temporarily benefit from it.

Human beings are amazingly adaptable and fundamentally reasonable and will adjust themselves to saner and more efficient production methods without much difficulty.

Nothing more nor less than the law of supply and demand has created the situation in which workers have found themselves in the driver's seat. Patriotism, or fear of public opinion, has tempered their demands. At the same time, both employer and employee will have done some thinking, and, no doubt, employees will be less complacent and employers less complacent in the future.

While it is true that some war plants have adopted certain doubtful personnel practices, of a paternalistic nature, have mistakenly supposed that morale can be built by coddling, have tried to purchase loyalty, have delib-

(Continued on page 2, col. 1)

Lecture Series To Stress Gold

Following a meeting of the executive of the Prospectors and Developers Association, it is announced that a lecture series for prospectors and those interested in mining will be held in mining centres across Canada subsequent to the annual meetings of the Association in Toronto Jan. 11 and 12, 1944, at the Royal York Hotel.

The program will extend the "school" of last year, but emphasis will be along different lines. With strategic minerals in better supply than at this time last year, gold and common base metals will be stressed.

Mining branches of the Federal and Provincial Governments have again agreed to contribute speakers and information.

at EATON'S

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Now that lower house temperatures are advocated to save coal, a smoking jacket is going to do double duty — Keep you warm and — Smartly dressed at ease. These jackets are carefully tailored for a trim but comfortable fit and attractively finished to the last detail. Ranging in sizes from 36 to 46.

The Wool Melton Cloth illustrated is a popular choice with men of good taste. Finished with reverse plaid facings and rayon cord trim on collar, cuffs and pockets. Choice of brown, grey or blue. Each

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Many men prefer the swish elegance of our Velveteen coats in either dark-as-pitch black or rich wine and green shades. Finished with a becoming braid trim and sleek rayon lining. Each

16.50

MAIN STORE — SECOND FLOOR

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Final List Big Loan Buyers is Announced

The following final list of large individual subscriptions to the Fifth Victory Loan is furnished by the National War Finance Committee and includes only subscriptions of $500,000 and over.

Sun Life	$22,500,000
National Trust Co.	5,672,000
North Amer. Life	4,000,000
Toronto Gen. Trusts	3,600,000
Swift Canadian	3,000,000
Ventures Ltd.	3,000,000
Can. Gen. Electric	3,000,000
Bronfman Interests and B. Aaron	2,000,000
Dominion Foundries	1,350,000
Canada Permanent Mtge. & Can. Permanent Trust	1,250,000
James MacLaren Co.	1,200,000
Dominion Rubber	1,110,000
Dist. Corp.-Seagram	1,000,000
J. A Kilpatrick & Assoc.	1,000,000
Wright-Hargreaves	1,000,000
Trusts & Guarantee	850,000
Otis-Fensom Elevator	850,000
Dominion Stores	750,000
Beatty Bros.	750,000
Vancouver Sink. Fund	750,000
Equitable Life	600,000
Lake Shore Mines	600,000
Br. Rly. Trainmen	550,000
Ind. Order Foresters	550,000
Royal Liverpool Ins.	515,000
North America Companies	502,000
Consumers' Gas	500,000
Hiram Walker	500,000
Windsor Sink. Fund.	500,000
Hinde & Dauch	500,000
Can. Marconi	500,000
Empire Life	500,000
Firestone Tire	500,000
Niagara Power Co.	500,000

Howe Sound Co. in the third quarter realized a profit of $302,427, equal to 65 cents a share, bringing earnings for the nine months ended Sept. 30, 1943, to $2.32 a share. Mineral production figures are again omitted in accordance with the wartime policy of the U. S. and Canadian governments. Earnings were equal to $2.64 a share in the first nine months of 1942.

Coal Strike's End Uncertain

(Continued from page 1)

effectiveness and importance of the NWLB.

People in authority here contend emphatically there was no understanding of any sort other than the published statements of what occurred last Saturday.

There was some behind-the-scenes discussion toward the end of the week about the possibility that some stricture be placed on union ability to collect its dues via the check-off, but whether this was ever presented to mine leaders as a possible "threat" is not known. Apparently, at a time when there were grave forebodings as to what sort of concession might have to be given the miners to induce them to return to work, the air cleared and an agreement was reached.

Questioning as to just how and why the settlement came about at the eleventh hour, has been replaced with concern as to whether the settlement really means a great deal in view of the political situation within the union itself.

Canadian Workers Speed The Tanks

In this war of machines, Canadian factories are participating with force. Tanks, armoured vehicles, and many other needed war machines are streaming forth to carry the fight to the foes of freedom. Manpower is the greatest factor behind the production of machine power—labour and management, shoulder to shoulder, in a struggle to out-produce the Axis. Throughout Canada in hundreds of branches six thousand men and women of the Bank of Montreal are helping by war-time banking service.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service ... *the Outcome of 125 Years' Successful Operation*

A 176

Science Has Social Function

Canada Needs Advisory Council, Says Prof. Robertson

Formation of a small scientific advisory council to act in a liaison capacity between science and the government is recommended in a pamphlet entitled "Canada's Future in Test Tubes?" recently published by the Canadian Institute of International Affairs and Canadian Association for Adult Education.

The scientist, it indicates, must "face facts just as impartially and fearlessly outside his laboratory and do his best to practice the scientific method in everyday affairs."

Professor J. K. Robertson, head of the Department of Physics, Queen's University, and vice-president of the Royal Society of Canada, the writer of the pamphlet, stresses that such a body would not conflict with the National Research Council, but would serve more in the fashion of the Advisory Committee on Economic Policy.

Linking Science and Statecraft

While recognizing that the scientist must continue to provide new knowledge and new technique, which is always his immediate task, the writer nevertheless points a new role for the scientist. He asks:

"As some of the larger problems which have been raised involve the co-ordinated work of scientists in different fields, who is to do the co-ordinating? . . . If science and statecraft are to work together, as Mr Anthony Eden suggests, must not science be more than the handmaid of the State? Is the scientist to be merely the consultant of governing bodies, to be called in only when technical information is needed? When the scientist looks about and sees his fundamental discoveries applied to producing devices which, in the hands of selfish groups, are used for the injury of mankind, is he to shrug his shoulders and pass by on the other side?"

"Problems involving co-ordination of the sciences, a wiser application of new discoveries, and better action following official reports could be helped greatly by the establishment of a small scientific advisory council to act in a liaison capacity between science and government," the author states.

Such a council, it is suggested, would function after the fashion of the Scientific Advisory Committee in Great Britain. This is a body with no executive power, but which through its chairman, can make recommendations directly to the Cabinet. The words of the late Sir William Bragg are quoted in this connection, "It is particularly well fitted to watch all occasions and opportunities for the employment of science in the service of the nation."

Canada, it is pointed out, has no such group. There are numerous scientific bodies such as the Chemical Society, the Engineering Institute, the Geological Survey and other governmental scientific services, all doing excellent work. But to be of any use, it is urged, these suggestions must be put into practice. As this involves expenditure of public funds, action by government is essential. To accomplish this, political leaders must be convinced of the value of any proposal and of how it fits into other schemes.

"Surely," says Professor Robertson, "it is reasonable to urge that they do with respect to science what they have done in another field by the appointment of an Advisory Committee on Economic Policy."

Resume Talks Postwar Air

(Continued from page 1)

pared to send with its delegates to Washington, subject, as has already been indicated, to modification if the decision of the other major powers is toward a number of competing routes.

At present this matter is very much under discussion at Washington with strongly competing interests pressing for different policies.

Until this first principle is established, it is unlikely that the Canadian Government will make any further commitment as to who, in Canada, would be included in the "designated" agency and whether there would be any attempt to broaden the present implied TCA monopoly to include, for instance, CPA.

In Britain there is equal discussion and rivalry for inclusion of shipping interests in the "designated" agency. On the other hand, the United States has so far ruled against permitting air services to be operated as part of an organization which serves a competing transport field such as shipping, railways, etc.

Though Ottawa professes to have a fairly clear idea of what it is going to plump for when it gets to Washington, there is admitted to be confusion and strong difference of view in high places as to the disposition of postwar aviation within Canada itself.

Some clarification and alteration of the vague and narrow wording of the Prime Minister's declaration on domestic air policy is likely to be made. What they will be is not yet decided.

Most emphasis to date has been on trying to clarify the international situation. Only now, it is unstood, is the Government's interdepartmental committee on civil aviation getting down to the difficult and contentious task of making suggestions to Cabinet on a revised and more tenable domestic policy.

In brief, problems include:

(1) The relations of TCA and CPA.

(2) The type of government operation.

(3) The relationship of TCA to the Transport Act.

Various alternatives which will have to be threshed out on both the expert and the Cabinet level, include the problem of whether the business of the future should be divided on the basis of "routes," that is, main line vs. local or feeder routes; on the basis of "services," fast passenger vs. slower cargo operations; whether the TCA should be divorced from the CNR and set up as a directly owned government company; whether the TCA and CPA should be brought together in some way; whether all companies in Canada should be required to have uniform rates; what about new or competitive companies outside the two large operators—TCA and CPA.

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Bank of Montreal Elects Director

George E. Barbour of Saint John, N.B. has been appointed a director of the Bank of Montreal. He is president of the G. E. Barbour Co., wholesale grocers and tea importers, a business established by his father, George L. Barbour, in 1867. Of Scottish and Empire Loyalist heritage, Mr. Barbour is a native of Saint John and has been active in community life. He is a past president of the city's Board of Trade, and for some years was a member of the city council.

NOTICE TO DEBENTURE HOLDERS of The Rural Municipality of North Kildonan and The School District of North Kildonan No. 2116

In accordance with the plan of adjustment of the debenture debts of The Rural Municipality of North Kildonan and The School District of North Kildonan No. 2116 the Municipal and Public Utility Board of Manitoba has fixed the Eighth day of November, 1943, as the date upon which the old debentures and coupons will be exchangeable for the new debentures, coupons and cash settlements, according to the provisions of the plan set out in Order No. 249/43 of the said Board.

Instructions for Exchange

Debenture holders, accordingly, are requested to forward their debentures together with all unpaid interest coupons, both matured and unmatured, to the Imperial Bank of Canada, Winnipeg, Manitoba, for exchange. It is suggested that the debenture holder should conduct the exchange through his own Bank.

M. H. MATHESON,
Clerk,
The Rural Municipality of
North Kildonan.

Road to Industrial Peace

(Continued from page 1)

erately over-staffed, these things were the inevitable accompaniment of many very sound procedures, in which our main hopes for the future of industrial relationships must lie.

We shall owe a debt to those aggressive and open-minded executives who have not hesitated to put into active practice many techniques that were languishing under the more conservative peacetime attitudes.

The keystone of these practices is education of various types. The value of this is apparent when we consider that ignorance (in the sense of lack of knowledge and understanding) is the main factor in mistrust, which in its turn is at the heart of all labor-management differences.

There are innumerable variations on the educational theme, but the whole concept is well exemplified in three schemes which were developed largely in the United States, used privately in Canada at first and latterly have been applied under Government sponsorship. In the spirit of the times, these plans go by their initials—J. I. T., J. R. T. and J. M. T., respectively.

The first, Job Instructor Training, is a simple, sound method for teaching instructors how to train people to do specific jobs. Only those with experience in industry, where most people learn instead of being taught, can really appreciate the value of J. I. T. The subject is entertainingly, yet accurately, treated by Stuart Chase in the October, 1943, Readers' Digest under the title "'Showhow: A Revolution in Management."

Mr. Chase also writes about J. R. T. in the September, 1943, Readers' Digest, in an article called "Teaching Foremen that Workers are People." The initials mean "Job Relation Training" and the plan is a concise and direct way of training supervisory staff to manage the workers intelligently. This again is something that factory-wise observers realize is of paramount importance.

The third plan, J. M. T., or "Job Methods Training," in its more elaborate phases has been discussed in many periodicals in the last four years. Again in Readers' Digest, for November this year, Mr. Chase deals with it. J. M. T., itself, is a condensed and practical course in the principles of Methods Analysis and simplification. It, too, is extremely valuable in enlisting the co-operation of employees in the furtherance of economical operating procedures.

All three plans are full of immense possibilities for the future if followed up and expanded through the whole of industry. At the moment, they are too streamlined to be used as richly and fully as is desirable.

Peacetime conditions should permit the correction of this lack. If this is done well, we shall have gone a long way towards a most satisfactory condition in which mutual problems are understood, in which operating techniques are immeasurably improved and in which the competence of the operating staff is as great actually as it is potentially.

But they will not bring the millennium. They will be accompanied by such things as medical services, insurance, cafeterias, vacations with pay, rest periods and so on. There will also be marked advances in management techniques such as employee induction, aptitude and temperament testing, wage incentives, time study, method study, suggestion plans, etc.

The educational element, still the crux of the whole matter, will include labor management committees, special employee committees, financial statements for employees, instruction to all in company policy and problems, foreman training and so on almost to no end.

Trade Union Position

We may well conclude that education is the answer to our future problems, but what about trade unions. No one can say, at this stage, whether they will be dominant or whether they will recede.

The war has to some extent improved relationships between management and unions. At least, fewer employers are frightened of unions and more union officials are learning that the fundamental rules of economics cannot be flouted indefinitely.

No person will prophesy a rosy path, There is still plenty management of the "treat-'em-rough and tell-'em-nothing" school and there are still plenty of union leaders whose philosophy, if it can be so called, is based on the doctrine of original sin of the employer.

The true problem, however, lies not in the behavior of the union leaders or the policies of management, but in the rank and file membership of the unions. At present the view of members is narrow. The tendency is to drop membership unless constantly increasing wage rates can be obtained quicker through union membership than without it.

No union leader can settle down to intelligent dealings with management so long as he is saddled with the problem of obtaining concessions in order to keep up the membership even for short periods of time.

Again the answer lies in education of each individual in the methods of his calling and in the problems of those with whom he must deal. Therein lies the hope of Canada's industrial future, in the minds and hearts of her people and not in their mechanical skills, or in their affiliations with an organized body, whether that body be the C.I.O. or the C.M.A.

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This shows a decrease in the Gross Debt, during the 12 months ended at the said date, of $12,329,857.14, and a decrease in the net debt of $10,065,337.35.

It is also interesting to note that British Columbia is the only Province in the Dominion where a reduction is shown in the Public Debt during the past 10 years. A comparison with 1933 shows a decrease of $13,744,355.62.

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LONDON CALLING by Adelphi

Air Raiders Strike London Again; Simon and Amery May Leave Cabinet

CABLED TO THE FINANCIAL POST

By ADELPHI

LONDON. — These are strange times in London. For the last few nights there has been shimmering moonlight and with it the wailing of air raid sirens. No one but wardens and fire watchers give much heed to them. The fear of heavy raids has gone. And as the English are a race of gamblers, they figure that odds are fantastically in favor of the man on the ground against the bomber in the sky. Besides, the Germans do not often bore into the heart of London defences.

Therefore it seemed odd as well as tragic yesterday to pass by a street in a London suburb which had felt the last of Hitler's wrath. The wall of a house was standing defiantly with the rest of the place a sprawling mass of rubble. A few yards away there was the wreck of what a few hours before had been a minor children's hospital. The whole place with its quiet sense of horror was so strangely reminiscent of 1940. We had almost forgotten that such things ever happened for the authorities have so tidied London up that where once there were gaping wounds, there is now only a vacant lot to mark the place. Last night the moon again shed its magic on London Town.

About 9 o'clock the sirens sounded, but the "all clear" followed in half an hour or so. Londoners shrugged their shoulders, but once more in a suburb a German bomber, fearful of carrying on to the heart of the metropolis, dropped its load of mischief. It caught a crowded dance hall and a milk bar, damaged two cinemas. The dead bodies of young girls lay in the ruins. Soldiers on leave were killed or maimed. A sad and terrible death toll. Tonight the moon will shine again.

* * *

Viscount Simon May Go

There is a false calm at Westminster. Mr. Churchill is known to be considering the reconstruction of his government. Supporters and critics alike are waiting to see what will happen. If rumor is correct, Viscount Simon is to vacate the woolsack and make way for another Lord Chancellor. If this happens, we shall see the passing from our public life of a man endowed with an almost perfect brain, who rose to supreme heights as a lawyer, who became Foreign Secretary, Home Secretary, Lord Chancellor.

Yet when he goes neither press nor public will point him out as a model for all young men to follow. He had the defects of the perfect legal mind. Laws of evidence meant more to him than the simplicity of truth which can often be only felt instead of argued. Logic was the passion of his soul. Thus when Japan in 1932 defended at Geneva her rape of Manchuria, the then Sir John Simon summed the matter up with such legal nicety that the Japanese delegates declared nothing could have been fairer. Prejudice, passion or sheer incoherence would have been a better guide to Britain's Foreign Secretary on that occasion.

His mind is rich with the culture of reading. He was in the Cabinet which declared war in 1914 and has held office without interruption since 1931. Oddly enough, he can remember cricket scores and competing sides in most county matches for the last 25 years. He loves golf and at the tenth hole always eats a bun. An aloof lonely man, capable of much sarcasm and gentleness, he never inspired love or deep friendship. But both Houses of Parliament have listened to him with almost awed respect, not for his opinions or convictions, but for the sheer faultlessness of a brain as incapable of confusion as it was of simplicity.

* * *

Amery to Leave

It is thought Mr. Amery will also be invited to enter the twilight of the gods. In other words, they say he will be removed from the India Office and given a peerage. Over here we believe that when a man has tried hard and failed to achieve success he should be kicked upstairs. That is merciful to him and wise for the nation since the House of Lords can still have his advice without his holding office.

Mr. Amery may have been unlucky. He showed firmness in arresting Gandhi and refused to be bluffed when that astute little politician threatened a hunger strike. Unfortunately the imprisonment of rebellious leaders is not an end in itself. The British House of Commons feels Mr. Amery has not made a sufficient attempt to come to any understanding with Congress leaders. Then, of course, there was the famine in Bengal. Once more Mr. Amery's position was difficult. Under The India Reforms Act Bengal was one of the provinces which became completely self-governing, save for the overriding authority of the central government in matters of external and military policy. The Bengal Government was satisfied there would be no famine. Probably, in their inexperience, Congress ministers did not realize that inflation would send prices of merchandise soaring, that war demands would make such merchandise extremely scarce, that peasants, unable to buy anything with their money, would hoard grain. Also the Burma rice supplies had come to an end. There were other natural causes as well.

In Parliament Mr. Amery's defense was to ask if the central government, over which the Viceroy presides and which is in constant touch with the India Office in London, should have interfered at once with the provincial government the moment it was faced with a severe problem. In his opinion the Congress Party might think the British were using the famine threat to reinstate their political control.

* * *

Backed by Hore-Belisha

To the surprise of Parliament, Leslie Hore-Belisha backed Mr. Amery with so pro-Government a speech that one M.P. said, "Belisha has not only laid down the red carpet, but has come right across it and is knocking at Churchill's door." It is Belisha's habit once a year to retire to a Trappist monastery and keep a week's silence. Recently there were rumors that, frustrated in love and politics, he would enter a monastery as a brother and be seen no more by the outside world. From his India speech it would seem that he has changed his mind and is now willing to enter the Government instead of a monastery.

On the whole, the India debate made out a good case for Mr. Amery, but the feeling of the House was still against him. It was felt that he had acted correctly instead of spontaneously, that he had considered the niceties of political etiquette more than the starving people, that he had kept a cool head instead of a warm heart.

In many ways I am sorry for Leo Amery. His elder son, sadly misguided, made several pro-German broadcasts from Berlin last year. It is to the credit of British public life that this was in no way allowed to prejudice feeling against Mr. Amery himself.

* * *

Churchill Wants Superman

Churchill is said to be looking for a superman to be Minister of Reconstruction. That is indeed a man's job. For one thing, the public is becoming bored with endless talk of the New Jerusalem that will be built on England's green and lovely land. Even the Beveridge Report is regarded now as warmed-over mutton.

This is a difficult country for innovators. Now, when there is no production of private motor cars, is the last chance Britain will ever have to change over to driving on the right hand side of the road. But will this be done? I don't think so. Why do we travel on the left of the road? Because that is the side from which a horseman dismounts. Such traditions die hard.

The same thing applies to our currency. Anybody in North America can tell you how much three dollars and a half make when added to a dollar and a quarter. But watch an English shop assistant totalling 15 shillings, 15 shillings and nine pence with four shillings, seven pence and a halfpenny. But the British will not change their monetary system which comprises pound note, 10 shilling note, half crown, two shilling piece or florin, shilling, sixpence, threepenny bit, penny, halfpenny and farthing. For the British like their country and their own way of doing things. That is why Churchill is trying to find a superman to sell the people something new.

* * *

Wandering Poet

To conclude these notes which have wandered along a strange road, there is nothing the British love more than the gifted amateur. This thought is provoked by news that Group Captain Helmore, M.P. has been given the honorary rank of Air Commodore. Mr. Helmore is a soft-spoken ex-airman of the last war with kindly feelings toward all mankind and various decorations for bravery. He has written many successful songs for musical comedies and is a popular broadcaster, but in his spare time he is an inventor. So valuable were his ideas on airplane engines that Rolls-Royce paid him a retainer of many thousands of pounds a year. His gadgets are to be found in all sorts of factories.

Now it is announced he has been working on and has perfected a system of searchlights on night interceptor planes. Since 1940 he has been wandering around the skies at night, figuring things out.

He entered Parliament a year ago after a by-election in which he was so fair to his opponent and praised him so highly that Mr. Helmore nearly won the election for him. Mr. Helmore has a pilot son and an Air Force daughter. Just now he has given up writing songs, for he is too busy inventing things to kill Germans, not that he hates the Germans. Mr. Helmore could not hate anybody. He is a wandering poet with a devastating gift for gadgets and an incurable liking for humanity.

Permit U. S. Publishers Credit on Saved Paper

American publishers will be permitted to carry over into the first quarter of 1944 all tonnage not used in the fourth quarter quota of 1943, according to a ruling laid down by the War Production Board.

Advisory Newspaper Committee recommended to the WPB that this step be allowed in view of the prospect of a further cut in newsprint, allowable use effective from the beginning of next year.

Canadian Bakeries has paid up all monthly payments which will come due on its notes held by Imperial Bank of Canada to April 15, 1948. Payments of $227,367 have been made on these notes, leaving $66,300 still outstanding.

War and Business

Transatlantic Move

Long familiar to Canadian radio listeners as "BBC," the British Broadcasting Corp. is reported to be studying plans to set up a Canadian branch, probably in association with the Canadian Broadcasting Corp.'s Toronto office. For some time past the BBC has been represented with its own office in New York, but there has been no direct representation in the Canadian field.

* * *

Winter Invasion?

A winter invasion of Northwestern Europe is not impossible, according to some observers. These people point out that under certain conditions that season might be the most favorable.

Biggest obstacle to any invasion, it is freely conceded, is the land mine, now thickly strewn and backed by fixed guns, over a wide belt all along the coast of France, Holland, Belgium and Denmark. Properly built and installed, these mines, it is believed, will last for years only becoming neutralized under natural conditions when the ground is frozen hard enough to support tanks and other heavy vehicles. Occasionally, such hard frosts occur in Northwestern Europe usually after Christmas.

Solidly frozen soil to a depth of several feet, a regular feature of the Russian winter, has played a major part in the remarkable success of the Red Army's offensives. In the present drive, of course, it is too early for these frosts but the main mine fields on the Russian front, it is understood, were penetrated and passed last winter. Since then the front has been too fluid to permit elaborate mining.

* * *

Demobilization Note

Of the three services, demobilization of the army presents the greatest problem, it is believed. Although details have not been divulged yet, it is understood that a considerable proportion of Canada's present naval and air strength will be maintained at least for a substantial period after the war. Such forces would naturally fit in to world police work. There is, however, no similar prospect in sight for the army and eventually practically all soldiers will have to be fitted into civilian life.

* * *

Teacher Shortage

Alberta faces a serious lack of school teachers—perhaps a shortage not unique to Alberta but apparently somewhat more severe in that province than in some others. Until Alberta Normal Schools turned loose 325 students who had taken a special intensified short training course, there were 525 schools in the province closed because of lack of teachers. Even after this special move, about 200 Alberta schools will still be closed.

The province is paying a government bonus of $200 to attract teachers to outlying schools. The new Normal School class just released received a "war emergency teaching certificate" after only three months of intensive training. Not the equivalent of regular teachers' certificates but granted in an effort to combat current shortages, further summer school training will be necessary before permanent certificates can be obtained.

* * *

Fur Seals

The world's greatest fur seal herd in the world, representing about 85% of the total, is owned by the U. S. Government and lives on the Pribilof Islands in Bering Sea. Now having a capital value of about $100 millions, this herd numbers between 2½ and 2¾ million animals. This herd was down to 130,000 animals in 1910 when the U. S. took over sealing operations.

This year's take of furs amounts to 117,164 skins, largest since 1910, and will be worth about $5 millions after processing. Profits are shared by the United States with Canada and Great Britain.

* * *

Drug Dilemma

Doctors aren't hailing the new drugs with the same unbridled enthusiasm that is being shown by the general public. Admitting the amazing curative powers of sulfa drugs and penicillin, some of the more cautious physicians point out that the new drugs do nothing to augment human resistance to disease. On the other hand, particularly when administered in small quantities, the drugs tend to build up a resistance to themselves on the part of the bacteria or viruses they combat. Result probably will be that in 30 or 40 years the "bugs" will be immune to the wonder drugs and an entire new set of drugs will have to be discovered. In the meantime, some doctors are beginning to recommend giving the patient the maximum dose possible so that the "bugs" will have the least possible chance to adapt themselves and survive the treatment.

* * *

Excessive Rail Wear

Magnetic track brake on new "PCC" street cars has attracted a lot of public attention, but recent official word is that they don't achieve quick stops without destructive action on rail surfaces.

More intensive instruction of operators regarding unnecessary use of the track brake has been resorted to, but maintenance of way engineers are looking to flame hardening of rails, applied at the mill, to combat excessive wear from that cause.

Most alloy steels need "work-hardening" before they attain full toughness, but rails at stops under "PCC" operation are said to get no such opportunity as "each application of the track brakes removes a layer of steel far deeper, in comparison, than the layer work-hardened by the few intervening car wheel passes." The idea of reheading worn rail-head section is said to have been rejected.

Alberta Pays Treasury Bill

Solon Low Makes New Proposals to Dominion on Debt

From Our Own Correspondent

EDMONTON.—An announcement is expected from Premier Manning or Hon. Solon E. Low, Provincial Treasurer, some time this week, that Alberta will pay a treasury bill debt of $350,000 to the Dominion Government.

The treasury bill fell due Sept. 1 and was not renewed by the Dominion. A second bill for $1.6 million also fell due Oct. 1. This too the Dominion failed to renew.

When Mr. Low discussed the situation recently with Hon. J. L. Ilsley, Minister of Finance, and Dr. W. C. Clark, his deputy, he found them adamant. They wanted cold cash—at least the $350,000. If this were paid, they argued, it would help things considerably, because this treasury bill was in a different category from the other treasury notes amounting to some $26 millions.

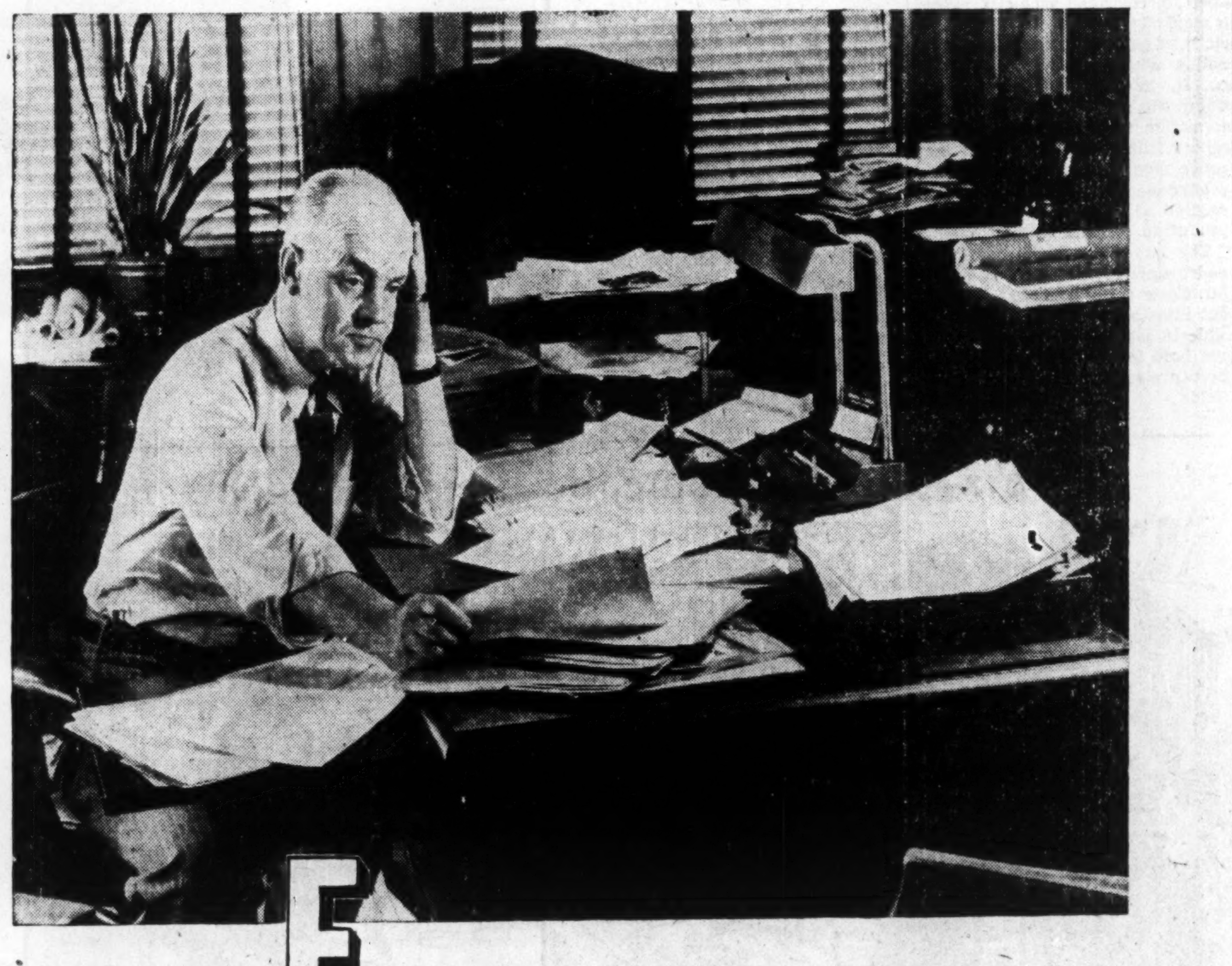
The Alberta treasurer, according to reports, argued that, as other provinces were not paying treasury bill debts, why should Alberta be made to pay? True, Alberta had a surplus from its yearly operations, but the government was trying to put over a refunding scheme that was going to take every penny on hand, and then some.

Alberta Makes Proposal

Mr. Low made a proposal to the Federal Government. It was not the "saw-off" proposition he had been thinking of when he left Edmonton. It was another gesture, one which took in the entire treasury bill debt.

He returned to Edmonton, without a definite answer from Mr. Ilsley but expecting an answer "momentarily." He got the answer two days later. Part of that answer was that the Dominion wants $350,000 for the Sept. 1 treasury bill.

What the rest of the answer is, has not been made known yet. If the Dominion accepts Mr. Low's proposal to cover the rest of the treasury bills, it is understood it will throw an entirely new light on dominion-provincial debt.



The Forgotten Man of '43

HE'S the Executive...poor guy!

The hurrahs and the headlines go to our fighters and warworkers. That's okay with all of us. But folks forget that the Executive is very much a part of this war, too. Without him, war production would bog down drastically. He's the planner . . . the organizer . . . the coordinator.

He's in a tough spot is Mr. Big. He has to keep bailing when tough deadlines and material shortages threaten to swamp the production boat. He's the fall guy when things go haywire. And manpower shortage is something for him to worry about. . . . Boy! Does he need a helping hand!

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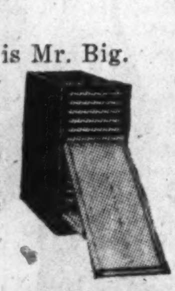

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Charlottetown	3,577	2,328	Windsor	28,836	20,988
Saint John	12,320	8,947	Winnipeg	69,176	52,251
Moncton	5,420	3,733	Regina	13,915	13,184
Montreal	271,410	155,691	Saskatoon	10,244	11,310
Quebec	47,831	24,443	Calgary	21,168	25,749
Three Rivers	10,001	4,960	Edmonton	22,290	22,968
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Levers Announces Pay Plan

Job Security Program For War and Postwar Conditions

Lever Brothers in Canada has launched a job security program for its employees both inside and outside the armed services. Some of the benefits are:

Where pay and allowances in the armed services are lower than pay married men were receiving, the company makes up the difference. Promotion up to rank of army major or its equivalent entails no reduction in the company allowance.

Employees joining the armed services are considered to be on leave of absence.

Single enlisting employees upon joining up receive two months' pay from the company plus an annual retaining allowance of one month's pay.

If single men marry after joining the services they immediately become eligible for benefits as married men.

Married men and men with declared dependents who were on the pre-war payroll and who are discharged from the forces due to disability will be given special benefits. If earning power is reduced, the company will add to his pay so that with disability pension it will come up to the amount of standard pay now applying to his old job, and will make every effort to find him suitable employment. If he finds work elsewhere, the company will nevertheless consider a special allowance. Until he is fit to resume civilian work the company will bolster his disability pension.

A company plan pays wages of employees during the time they are absent from work through accident or sickness. As payments to an employee under the various provincial Workmen's Compensation Acts arising out of an accident covered by this Act are generally less than the employee's earnings for a standard working week, Lever Brothers will make up the difference.

In the case of disabilities of short duration, not covered by the Workmen's Compensation Act, the company pays the injured employee, with the requisite length of service his or her full standard wage.

To those with less than one year's service but who have completed six months, the company pays in any one calendar year, an allowance which, together with compensation, equals the full wage for a standard working week for a total period of up to two weeks. Where they have served more than one year such an allowance is calculated for a period of up to 2½ weeks for each completed year of service.

In the event of sickness or disability arising out of an accident not covered by the Workmen's Compensation Act, the company pays the employee an allowance equivalent to his or her earnings for a normal working week for a period dependent on length of service.

Those with less than a year's service or more than six months will in any one calendar year receive an allowance from the company equal to his full wages for a period of up to two weeks. If he has worked more than a year, an allowance equal to the wages at full standard rate for a period of up to two weeks is paid for each completed year of service. After this period, and until the employee is fit to return to work, one half of the weekly wage for each completed year of service will be paid.

These payments, however, are limited to a maximum of the equivalent of 12 months' salary or wages at standard rate of pay.

The employee's contributions to the Union Overseas Superannuation Fund will be continued on his behalf by the employer until he is recovered to return to work.

Under the Superannuation Fund where a man is killed while serving in the forces, his widow receives the same pension as if he had died as a civilian.

Inglis Earns $1.10 a Share

First Public Report Reveals $4.2 Millions as Plant Investment

John Inglis Co.'s financial statement for the year ended Mar. 31, 1943, the first to be issued publicly, reveals profit from all operations of just under $2 millions. From this was deducted $942,324 for depreciation; $250,000 for contingencies; $271,379 payment on Worthington royalties, and $255,799 for taxes, leaving net profit of $274,745, or $1.10 a share.

Operations of the company, whose working force now totals 15,000 employees, are divided into two divisions. Ordnance division is operated by the company for the Government in production of Bren and Browning machine guns, Boys anti-tank rifles, accessories and other munitions of war. From these operations the company receives a management fee.

Commercial division, comprising property owned by the company, has been developed without financial assistance from outside sources, beyond temporary assistance from the company's bankers. Rights have been secured to manufacture a large number of products used by shipbuilding, mining, steel, paper, power, oil and other basic industries.

Property investment of the company as at Mar. 31 last is shown on the books at $4.2 millions, of which $2.8 millions represent additions since company was formed just before the war. A depreciation reserve of nearly $2.4 millions has been set up against this account.

Net working capital now amounts to $771,197. Current assets of over $2.7 millions are made up almost entirely of inventories of $2.1 millions and accounts receivable of $620,421. Current liabilities total under $2 millions, with bankers' advances aggregating $468,945, accounts payable $1.4 million and tax reserve $114,135.

Tax position of the company is still subject to adjustment. Auditors refer to adequacy of the tax provision in the 1943 accounts and point out that the balance sheet does not include $14,265 refundable portion of the Excess Profits Tax.

Mining INVESTMENTS

Coming events sometimes cast their shadows before them and it seemed as if this were the case with the mining market with its light shake-out early this week. For the past week or so the golds had been "spotty," perhaps signalling a reaction after the long upward movement.

Most market commentators view recent selling in the nature of a healthy reaction with the trend still upward. Much of the buying which pushed prices higher was based on fears that inflation might be just around the corner. Inflation is still regarded as a potent market factor in most quarters, it appears.

* * *

Falconbridge Nickel is another base metal mining operation which has been running into wartime and other difficulties lately. With July storms causing extensive damage, expense and decreased production, an operating deficit was experienced for the month reducing the operating profit for the third quarter to $438,199 compared with $702,222 for the corresponding period of 1942. Net profit after all charges was $93,859 against $284,577.

After lengthy representations some increase in metal prices has been arranged which, it is expected, will ease the company's situation somewhat. Margin of profit is narrow, what with labor and supply conditions and the necessity of heavy war write-offs. A bad month is hard to overcome in a single quarter, it is stated.

* * *

Success of American and Australian forces in the New Guinea campaign has provided cheering news for shareholders of Bulolo Gold Dredging Co., with head office in Vancouver.

According to advices from the Far East, the Japanese have not occupied the actual scene of the gold dredging, where much equipment was put out of commission prior to abandonment, but considerable damage has been done to the company's property at Lae by bombing raids.

Alberta Eases Local Debts

Arranges With Dominion to Write Off $1.2 Million

From Our Own Correspondent

EDMONTON. — Alberta Government has written off a debt of $1.2 million, owing to the province since the depression days by local improvement districts and municipalities.

The move has been made, according to Premier Manning, to relieve the municipalities and sparsely settled frontier districts of a burdensome debt which they are "unable" to pay. Another way of putting it is that the province cannot see a hope of collecting the debt, so is cancelling.

Not only is the municipality and the local improvement district going to benefit, but the government's blessing is being extended to every one in those areas who ever had to borrow money for direct relief between 1931 and 1942.

Must Pass on Benefit

Mr. Manning's statement said:

"The improvement districts and insolvent municipalities that have been relieved of outstanding direct relief indebtedness will be required to write off the indebtedness charged against a resident for relief obtained during the years 1931-42.

"Any resident that had given security by way of chattel or land mortgage or against whose land a caveat had been registered as security for direct relief received, may make application and will have this security released providing the debtor or his dependents directly benefit. A caveat will not be removed when its withdrawal only benefits a person other than the debtor."

The debt which is being written off by the province, is being done with the approval of the Dominion, which during the depression years entered into agreement with Alberta to pay two-thirds of direct relief costs provided by municipalities. The other one-third was paid by the municipalities.

Company Reports

Thompson, Lundmark

	4 Mos. to Aug. 31 1943	Year to Apr. 30 1943
Earned per share	2.9c	6.0c
Working capital	*$510,346	$321,117
Advances outstanding	284,438	224,498
Production value	258,079	869,196

*Including $221,178 of funds held by Consolidated Smelters re advances.

"Your mine has been closed down, but the equipment will be kept in good running order and it is anticipated that on the return to normal conditions after the war it will be reopened," President G. R. Burge states in the annual report of Thompson-Lundmark Gold Mines.

Production during September, the month operations ceased, included 2,669 oz. from clean-up of the mill and the profit for the month is not reflected in financial figures above.

Cessation of production was forced by shortage of manpower which made it impossible to carry on normal operations and the mill was closed down when broken ore was all that was being milled. The president states financial position is such as to allow resumption of milling when conditions warrant.

White Aircraft

Year ended June 30	1943
Earned per share*	$0.17
Paid	nil
Working capital	$19.659

* Based on 308,844 shares issued and in hands of public.

Profits after taxes of White Canadian Aircraft for the year ended June 30, 1943, amounted to 17c. a share. This is not a final figure as estimated reserve for income and excess profits taxes of $28,241 is subject to change upon determination of standard profits of the company.

This profit eliminates the deficit on earnings previously accumulated, making a surplus of $8,514 after certain adjustments. Operations are now directed by a Dominion Controller, A. E. Naylor. The company is being granted special depreciation on fixed assets. Togther with normal depreciation this amounted for the year to $14,974, bringing total depreciation reserve to $31,031 on $44,038 of machinery and equipment.

OIL INVESTORS

Here's a manual that takes the guesswork out of investing

Pre-publication orders are invited for this 1944 edition of SURVEY OF CANADIAN OILS which is now under preparation for release in December.

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The Bondholder

Thousands of dollars have been lost over the years by bondholders through failure to notice when bonds are called for redemption before their maturity date. This is not the fault of the company issuing the bonds. Legal requirements are that they shall give public notice, usually in one paper in Montreal and another in Toronto, of their intention to redeem bonds before maturity.

These notices are not always seen. In many cases the bondholder does not know that his bonds have been redeemed until he presents an interest coupon for payment. This may be many months after the call date and during the interval the bondholder loses interest on the money involved.

The banks do what they can to see that customers known to own called bonds lodge them for redemption, but obviously only a small proportion of cases can be covered in this way.

Only remedy is widespread publicity on called bonds. For years The Financial Post has published each week a current list of bonds called. Bondholders would be well advised to watch this table so that when any of their bonds are called, immediate steps can be taken to arrange for redemption.

As a matter of interest some of the more important bond issues called during the last year follow. Some are still coming to light, banks inform The Financial Post, through presentation of coupons which were unmatured at time of call and are therefore without any value.

	1943 Date called
B.C. Packers 5/53	July 15
B.C. Packers 4½/42-44	July 15
C.P.R. 3/45	Apr. 1
Colonial SS 6/54	July 1
Can. Breweries 5½/46	Sept. 15
Can. Breweries 4½/44-46	Sept. 15
Canadian Breweries 5/47-51*	Sept. 15
Dom. of Canada 4/45	Oct. 15
Econ. Invest. Trust 5/57	May 1
Gen. Steel Wares 4/45	Apr. 15
Hamilton Cotton 4¼/50	Nov. 1
National Grocers 4/42-47	Apr. 1
National Light 6/49	Apr. 1
Ottawa Light 3½/44-48	Oct. 1
Ritchie Cut Stone 6½/48	Mar. 1
United Grain 5/48	July 2
United Grain 5½/49	May 1
United Grain 4½/49	July 2
West Kootenay Power 4/56	Mar. 1
Windsor Arms 6½/47	June 1
Wood Alex. & James 6/44	Aug. 1

* * *

The transition period appears to be upon us. From all across Canada have come reports of war contract cancellations paralleled by more favorable treatment, particularly as regards manpower, for industries providing essential materials for civilians either at home or abroad.

From the investment point of view, it is apparent that readjustment from war production is not going to be a single-phase operation, but will have two distinct elements —the "tapering-off" process, and the resumption of normal production. There may be some gap between the two phases.

When industry was tooling up for war, it was known that as soon as the plant was ready there would be no difficulty in getting into production on war orders. Materials would be available and labor in the plant would be given high priority.

But in the present phase of "tapering off," no such guarantee is possible. The plant whose war orders are cancelled will only be able to proceed with normal production if labor and materials become available. How long the "holiday" between the taper period and the resumption of normal work will be depends on individual circumstances and factors not now predictable.

* * *

Caution would seem to be the most suitable attitude under the circumstances. While a great many contracts appear to have been affected, the whole process is subject to drastic alterations in tune with the needs of war, and some war companies now slackening off may resume peak activity on a moment's notice.

That this uncertain condition will likely prevail until the war is over now seems probable. Production of civilian goods may be resumed on an increasing scale, but resumption will likely be spotty

West Is Short Men For Bush

WINNIPEG.—Pulpwood mills in the prairie region, faced with a serious shortage of men to cut pulpwood, are combing the seasonal labor reservoir in the midwest in an effort to find 2,000 workers.

"These men are needed urgently," says S. Steinhamer, manager of the Central Pulpwood Association. "The later we start getting them, the more we will need."

Major mills in the central region already are experiencing difficulty in keeping up production. If the shortage is not corrected, future curtailment will result.

Only bright spot in the situation is the fact that four mills have been allowed by Selective Service to send men into the country district to recruit bush workers

The labor scouts represent the Manitoba Paper Co. at Pine Falls Man., the Dryden Paper Co. c Dryden, Ont., and the Ontario Minnesota Paper Co. mills at Kenora and Fort Frances, Ont.

The Dryden Co. produces kraft paper, much of it for war uses, and the other three primarily are newsprint producers. In addition, the Kenora plant exports sulphite to the United States and the Fort Frances mill turns out pulp for insulite for war housing projects.

The Pulpwood Association now has its eye on the seasonal workers among the Mennonite farmers in the Prairie Provinces. Members of this German religious sect are conscientious objectors and about 600 of them are being used on government road and reforestation projects.

Research Enterprises Workers Study Postwar

Technical Group Approaches King, Bracken and Coldwell for Views on 3 Points Linked With Plans to Keep Plant Operating

Postwar disposition of the plant of Research Enterprises, a Crown company set up to manufacture optical glass, is giving concern to 7,000 employees. Particularly is this the case with those employees above the rank of foreman, but not officers of the company, and who are members of the Technical and Administrative Association.

Whatever is done depends on the Government. Accordingly, the secretary of the Association has sent a letter to Prime Minister King asking his views. The same letter has been forwarded to John Bracken, leader of the Progressive Conservative Party, and to M. J. Coldwell, head of the CCF.

Ask Three Questions

Questions asked of the three leaders follows:

1. Would you favor transfer of postwar operations to private industrial interests by way of sale or lease?
2. Would you favor continued government operation of plant for domestic and export trade?
3. Would you favor an acceptable plan of employee-managed private industrial enterprise for the plant with financial assistance to be furnished by the Government?

Further suggested is the possibility that the Government might consider continued operation of the plant after the war in order to ensure supplies for the armed services.

The Financial Post learns many plans have been considered, but each comes to a dead-end because there is no knowledge of what, if any, plans the Government has for the plant in the postwar period.

In order to clear up this uncertainty, technical employees decided to communicate directly with each of the leaders of the three major political parties to find out what they think should be done with Research Enterprises which represents an investment running into several million dollars.

Compete With Germans

Those close to the picture hold the view that markets represent the greatest problem in respect to continued operation of Research Enterprises. While some demands might be expected from government sources after the war, it is realized that future of the plant will depend upon ability to compete not only in the domestic, but also in the export field.

Prior to the war a large share of the world market for optical glass had been cornered by German makers. They were able to do so with the subsidy assistance from the German Government. This arrangement has been in existence since 1895 and explains the predominant position of the Germans in this branch of world trade and why private manufacturers have found it difficult, if not impossible, to compete.

Would Need Help

Re-establishment of Research Enterprises as a private venture on a peacetime basis, it is believed, will depend to a considerable degree on the co-operation, financial and otherwise, received from the Canadian Government, provided the Government does not intend to maintain operations on a subsidized basis as being in the national interest.

From the expected replies to the letters sent to the three politicial leaders, the Association hopes to be able to secure some idea of future government policy which, in turn, will enable its members further to develop their own plans.

West Pete Gets Flow of Gas

Drilled Out in Lake Erie, Well Flows 300,000 cu. ft. Daily

Drilling of a key gas test well a mile out in Lake Erie, off Port Alma, Kent County, by West Petroleum has resulted in a gas flow which was running 300,000 cu. ft. a day when a test was made, The Financial Post is informed.

Drilling had not been carried fully through the favorable formation at that time but it was thought that when drilling was completed gas flow might be increased to 500,000 cu. ft. or more a day.

Steps have already been taken to connect the well up with the Union Gas Co. main line near the Talbot road. It is planned to shoot the well with nitro-glycerine in an attempt to increase the gas flow. As this is the first well completed out in the lake, it is regarded as an experimental well for testing before the company's drilling program laid out for next summer.

When operations at the present well are completed, the drilling pier will be dismantled for the winter but resumption of operations next summer is expected to see two piers in use to allow continuous drilling. Development plans for 1944 have not been finalized as yet but it is thought that at least three wells will be drilled.

Where Gas Found

Production from the present well has been found where E. Frank Coste, director and geologist, judged it would be discovered. Some 65,000 cu. ft. of gas was found in the lower Salina with the additional 235,000 cu. ft. in the Guelph formation. There was still a part of the Guelph formation to be drilled at the last report from the well and it may prove significant that the greatest production from inshore wells was secured at the lowest point of the producing formation.

The largest of the inshore wells had a flow of 444,000 cu. ft. of gas. Mr. Coste considered that by going out into the lake, it would be possible to secure an extension to the gas field in an area which had not been drained of gas by neighboring fields.

Investment Notes

Asbestos Corp. announces retirement from its board of G. R. Cottrelle, owing to pressure of his duties as Oil Controller. He is succeeded by F. E. Notebaert, of Montreal and New York.

* * *

International Paper Co. has asked holders of the 5% first and refunding mortgage bonds, series A and B, to submit offers of these bonds for sinking fund purposes at prices not to exceed 102½ and accrued interest. Offers will be received up to Dec. 1. Bonds in an amount sufficient to exhaust $100,764 in the sinking fund will be accepted at the lowest offering price.

* * *

Canadian Investment Fund reports that at Sept. 30, 1943, total net assets, with securities valued at market quotations, amounted to $9.6 millions. This compares with $9.5 millions on June 30 last. The improvement reflects in part an increase in special shares outstanding by 27,037 to 2,535,388.

During the past quarter the company sold $200,000 Dominion of Canada 3% Victory Bonds, 1956, and 125 shares National Steel Car Corp. common stock. The only addition to the investment portfolio was an increase from 500 to 1,700 shares of Canada and Dominion Sugar common stock.

* * *

C. W. Lindsay Co. announces the election of Charles W. Lindsay to the board of directors.

Unlisteds Show Losses With Rest of Market

Unlisted stocks recorded losses in sympathy with the decline shown by the listed markets, states Plaxton, McDonnell & Co. Trading volume was light on the decline.

Brantford Roofing common moved against the trend with ½ point gain closing 5½ bid. B.C. Pulp & Paper preferred dropped 4 points closing 70-73; the common lost 2 points at 11-12¼. Brown Co. preferred dropped 2¾ points closing 30-32½.

Canadian Industries B common lost 6 points at 153-156. Colonial Steamships common eased 1½ points closing 63-65. Federal Grain $6.50 preferred lost 5 points at 72½-75. Hayes Steel Products lost 1½ points at 13½-15. Minnesota & Ontario Paper common was down 1 point at 7¾-8¼. Provincial Paper preferred was off 3 points at 98-101.

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379

List Stock, Save Death Duties

Establishes Market Value For Many "Private" Companies

Growing weight of succession duties has been causing a substantial number of previously private or semi-private companies to seek listing on the Toronto and Montreal Stock Exchanges recently. Experience has shown that a stock without a market may be a dangerous thing to have in an estate and that listing a company's shares may be a relatively simple way to prevent tax overcharges.

How the owners of the larger type of business may be hit—and the way private businesses are working to turn themselves into public businesses—is reviewed here.

In the past few years, 20 to 30 stocks of what were previously almost privately-owned businesses have been listed on Canadian stock exchanges, chiefly the Montreal and Toronto Stock Exchanges.

One main reason is the present status of succession duty regulations which can frequently work out in a manner completely shattering to an estate.

More Companies to List?

With both the Dominion and Provincial Governments now acting in the succession duties field, a substantial number of further companies may seek listing of their shares as a protection to the heirs of present owners.

The whole listing-succession duties question surrounds the value at which shares will be taken in for succession duty purposes. By an act passed at a special session of the Ontario Legislature in 1939, and by subsequent amendments, it is provided that where shares are listed on a recognized exchange or are regularly quoted by dealers, the value for succession duty purposes is the official stock exchange quotation at the time of death or the price regularly quoted by dealers. Lacking a value set in this way, the Provincial Treasurer places a valuation on shares and there is no appeal.

This Did Happen

The actual case of Mr. "A" provides a good example of what can happen. Mr. "A" was one of the chief owners of the "A" company which had three types of shares: Preferred stock, "Class I" and "Class II." The only difference between "Class I" and "Class II" shares was the fact that "Class II shares possessed voting power.

The preferred and "Class I" shares were listed on a recognized Canadian exchange at the time of death and the "Class I" shares were quoted at $7. The "Class II" stock was largely held by the management and the valuation placed on it by the Ontario authorities was $27 a share, this value being determined by the break-up value as determined by the balance sheet.

In determining value for succession duty purposes, provincial authorities are not forced to take into account depreciation of equipment, plant, etc., and it is possible that the value set for succession duty purposes might be many times that which would be considered reasonable on the stock market.

Many firms have substantial asset power. Owners of such concerns might be particularly hard hit by an arbitrary succession duty valuation.

Listing a company's shares on a recognized stock exchange may be possible. Listing charge on Toronto and Montreal exchanges is a $1,000 minimum for up to 200,000 shares with a charge of a half cent a share if capitalization exceeds 200,000 shares. There is no annual fee of any kind after listing, the initial listing fee being the only charge.

Requirements for listing are not great and even the semi-private firm can usually meet them without great difficulty. Chief ones are:

1. A minimum of 50 shareholders.
2. Proper public distribution of a company's shares.
3. An annual report, including up-to-date financial statements.

Small Man Can Benefit

Advantage of a readily available market quotation for succession duty purposes is not confined to the management-owners alone. The man who may be a small shareholder in one concern may have an estate liable to succession duty; an official figure on share value may be important to him also.

As the total percentage taken by succession duty is increased, listing of shares on recognized stock exchanges has become more important from another standpoint also. No longer is it economically desirable for the well-to-do manufacturer to place all his eggs in one basket. If a possible succession duty liability is not taken care of through insurance, it may be necessary to liquidate a portion of top heavy share holdings. Listing of shares on a stock exchange is one method of assisting this liquidation of holdings.

From the standpoint of the investing public at large, the trend toward listing of a larger number of issues on recognized exchanges appears desirable. The total number of issues available for investment is increased and greater diversification of the individual investment portfolio becomes possible. If large blocks of stock must be liquidated by sale on an exchange, the small investor may be able to make more advantageous purchases than would otherwise be possible.

The Shareholder

Week-end study of Premier Stalin's Saturday statement on the progress of the war, convinced many New York traders that peace was "just around the corner." With the market opening Monday war stocks were offered freely. There was a sharp selling off on good volume; in fact, for a short time the ticker ran behind the market.

As the day developed more and more support to the market came from those who were still unconvinced that the war with Germany was just about over. As a result values stiffened and the market closed above the low of the day.

What happened Monday is something that the investor and the trader may expect to recur with more frequency as the war draws to a close. Wartime activity has resulted in many companies' stocks recording a substantial rise in value over the last two years and, in this country, over the last 4½ years. Such values may be justified on the basis of wartime contracts. Yet all, or nearly all of these contracts will disappear once the war ends. It is this knowledge which has holders of war stocks sitting on the edge of their chairs.

When they start selling, as they did at the beginning of this week, then the whole market reacts. Values are depressed and it takes time to adjust values for the stocks of those companies which might benefit from a return to peacetime conditions. This is a condition which may be expected to stand out more and more in stock trading in the months ahead.

* * *

Canadian production undoubtedly will be a major factor in the economic reconstruction of Europe, according to a comprehensive survey published this week by Standard & Poor's Corp., New York.

The survey suggests that Canada "should prove an attractive haven" for young Europeans returned from the wars who have capital for a new beginning toward the relative economic security and independence offered by agriculture.

"The Dominion will emerge from the war in a sound economic condition," is the theme of the report. "The Dominion's farm produce and the products of its expanded industrial plant will undoubtedly play an important role in the rehabilitation of Europe and the Far East after the war. Its preferred position in trade relations with other Empire countries assures a tremendous market for a myriad of products not available during the war. All these factors will combine to ease the shock of transition from a war to peace economy."

* * *

Canadian stocks, which secure special mention in the survey, comprise: Distillers Corp.-Seagram, Dome Mines, Ford of Canada, Hollinger Consolidated, Imperial Oil, Imperial Tobacco, International Nickel, International Petroleum, McIntyre Porcupine, and Hiram Walkers, described as "Ten Attractive Canadian Stocks."

Distillers Corp. Seagram is mentioned as North America's largest distiller, a company likely to maintain its trade position due to stocks of alcohol on hand. Dividend is considered secure although some decline in earnings is anticipated this year.

Dome Mines is seen assisted by income from molybdenum production in maintaining earnings this year. Inadequate labor supply is seen affecting earnings but it is noted that the decline in ore reserves has been small.

Ford of Canada is regarded as in a particularly advantageous position with peacetime demand likely to take up the slack when wartime business becomes a thing of the past. Prospects for a strong export market are considered good.

Hollinger Consolidated will recover its earning power when labor conditions return to normal, the survey thinks.

Imperial Oil is seen as in a strong position. "With all signs pointing to increased production of petroleum products in Canada after the war this dominant unit in the industry has excellent growth possibilities," it is stated.

Imperial Tobacco which is held forth as an example of stable earnings and dividends is expected to experience gradual expansion after the war.

Of International Nickel, it is stated that "while the immediate postwar outlook is clouded by the probability of heavy scrap accumulations and keener competition from other metals, the company's dominant position should enable it to continue to obtain better-than-average results."

International Pete. is seen as affected by curtailment in S. A. crude output but is regarded as possessing long-term growth possibilities.

McIntyre Porcupine is experiencing only a moderate decline in earnings this year, it is stated, with higher grade ore offsetting a lower mill rate. The company is seen quickly regaining previous earning power after the war.

Hiram Walker is seen a competitor for the position of the place as second largest distiller in North America. Trade position is seen as strengthened in recent years.

M. & O. Paper Earnings Up

In spite of reduced sales, profits of Minnesota & Ontario Paper for the nine months to Sept. 30 show an increase, although this improvement is largely eliminated when it is considered that 1942 tax provisions were overstated, the figures being preliminary as of this time last year and since then definitely determined and revised downward.

Earnings for the quarter ended Sept. 30 are above the quarterly average for the year, though here again tax provision reflects some adjustments properly applicable to the first two quarters. Sales for the quarter are slightly below the average for the year to date.

Figures for bond interest payments indicate that a substantial reduction has been made in the funded debt of the company since Dec. 31, 1942.

Earnings Statement
Nine Months Ended Sept. 30

	1943	1942
Net sales	$17,743,458	$17,828,046
Less: Cost of sales* .	13,873,944	13,049,426
Sell., admin., etc.	1,344,301	1,540,864
Profit on oper.	2,525,213	3,237,756
Add: Other inc.	82,230	10,419
Net earnings	2,607,443	3,248,175
Less: Pay. to CPSC	235,464	......
Bond int.	316,662	352,054
Inc. & E. P. tax.†	884,400	2,014,800
Balance	1,070,918	881,321
Add: Profit on bd. purch.	50,777	111,004
Net income	1,121,695	992,325
*Includes: Deprec.	998,138	999,554
Deplet.	244,694	204,951
	1,242,832	1,204,505

†1942 tax figures overstated in light of final determination.

Dominion Coal Co.'s Output Moves Forward

Dominion Coal Co. reports that for the first 10 months of the current year, production totalled 3,237,827 tons. This represents a drop of 626,567 tons from the like period of 1942.

Production during October totalled 251,454 tons, an increase of 10,443 tons over the preceding month, but 41,635 tons under that reported for October last year.

Wants Sea Power Equality For U. S. and U. K. After War

By STAFF WRITER

NEW YORK. — Proposal that agreement be reached immediately between the British Commonwealth and the United States, that sea power of the two nations in future shall be equal, was made by John E. Otterson, chairman of the American Maritime Council, addressing the National Foreign Trade Convention.

Mr. Otterson defined sea power as "combined strength of naval and merchant fleets." He declared that "either one could not have won the war without the other, and one cannot maintain the peace without the other. The United States now has a treaty with Britain governing limitation of armaments under which it is provided that the naval power of the two nations be equal. This, he said, should remain. But merchant fleets should also be equal.

"Such an agreement would obviate any argument or discussion between these two nations on this question at the peace conference, and would permit them to deal as one with the problem of the future sea power of other nations.

"I am firmly convinced that the future peace of the world rests upon this proposed balance of sea power, and if this power is administered in the interests of peace, it will be a force adequate to the prevention of future wars."

Britain and the U. S. now own more than three fourths of the world's merchant tonnage and "control as a war measure the operation of the balance of the tonnage outside the Axis powers."

"This condition should not be permitted to change unless and until there are assurances that those nations who aspire to the building and operation of a merchant fleet shall conform to the rules of conduct necessary to the maintenance of peace," he said.

B. A. Oil Unit Ready to Go

British American Oil Co. officially opens at the beginning of next week its new aviation gasoline and lubricating oil refinery at Clarkson, Ont.

Costing from $8 to $9 millions and involving many branches of industry, the project was undertaken and carried to completion without Government subsidy.

Originally the Clarkson unit was begun as a lubricating oil plant with motor gasoline as a by-product. All the designs and blueprints were ready for work on that basis when G. R. Cottrelle, Oil Controller, approached the company and informed it of the need for aviation gasoline which would arise out of the Commonwealth Air Training Plan.

Plans were changed to meet the war need. The result is that this lubricating oil plant is unique on the continent in that no motor gasoline will be manufactured at all.

After the war it is probable that the plant will be revamped for whatever production peacetime demands call for.

WPB Reduces Grants On Newsprint Paper

Grants of additional tonnage of newsprint paper by the War Production Board of American publishers show a decline for the fourth quarter of 1943. For the first month of the period, October, a partial list reveals grants of only 2,677 tons. This compares with 60,296 during the preceding three months; 57,962 tons in the second quarter and 66,352 tons in the first quarter.

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The Editorial Page . .

It is Not the Rate of Pay

It is not the rate of pay, but what is left in the pay envelope that concerns the worker. With deduction at the source for income taxes, Victory bond and war savings purchases, unemployment insurance, compulsory savings, group insurance and other items, the net income of the worker undergoes considerable shrinkage. In some instances, where management has not taken sufficient pains to explain the why and wherefores of these deductions, labor difficulties have developed. Even after allowing for these deductions many workers are better off than probably ever before. It is to get this knowledge across to the worker that is important.

Dominion Wheel and Foundries Ltd. has adopted one method which has not only brought a clearer understanding to the worker of his financial position, but also has been the means of enabling him to set aside a tidy nest egg for the postwar period.

To each employee the company gives a small booklet which can be slipped easily into the pocket. A simple explanation is given of the different deductions made from pay, while at the back is a five-year, month-to-month, record of the employee's savings in Victory bonds, war savings certificates and compulsory savings, as well as unemployment insurance contributions. There is nothing elaborate about the booklet; it is a straight matter of fact record. Its value, however, lies in the fact that the employee can see at a glance his savings record. It has been a powerful morale builder, for over a period of time, the worker is pleasantly surprised at the amount he has saved. And when a worker feels that he is getting ahead, then he is satisfied and his value increases not only to the company but to himself.

Dream House Descends

The Canadian Institute of Public Opinion discovers the postwar dream home of the average Canadian is not such a revolutionary affair after all. Among other questions in its latest nation-wide survey CIPO asked: "What things would you most like to see if you were building or buying a house?"

The answers: Improved heating facilities headed the list; better plumbing came second; electricity and improved lighting facilities third. Few were looking for gadgets and fancy features. Hardly anybody mentioned solar heating or roof landings for helicopters; less than a handful talked of more surrounding space, soundproof houses, use of plastics, glass and adjustable walls.

This suggests that war savings will build a familiar house with a basement, common framing and walls, ordinary heating and plumbing equipment, all of which, however, may continue to improve in function while declining in cost.

Since man first came out of his cave, he has been pretty conservative about the house he has lived in, and specially of its outward appearance. It will apparently take prolonged selling to convince him that a drastic change is necessary. But behind the orthodox walls and roof, there has been continuous development and there should be even more when this war is over.

The trend, as the Gallup survey indicates, is toward more foolproof convenience, not necessarily new equipment, but better.

For a Smooth Demobilization

In Britain a "point" system of demobilization for the armed forces is under consideration. Under such, apparently, men in the forces longest will get first chance at discharge, although other factors are also to be appraised. This plan may be practical in Great Britain but it is understood that the authorities at Ottawa are considering an almost opposite course.

From the cold standpoint of economics the men last to join the forces generally will be the easiest to assimilate into civilian life. Such men have not lost contacts and many of them will have only recently left jobs of long standing when they went into the forces. Thousands of them will still be in training in Canada and they can be discharged quickly, with little expense, and will leave facilities free to handle the rush when the overseas troops return.

To the first volunteers, however, such a course might appear grossly unjust. Most of these never considered the Army, Navy or Air Force as a permanent career and will want to get out quickly once the job of winning the war has been accomplished. Because they have served longest and have sacrificed most in the way of personal liberty and privation, they will naturally assume that they should have first priority of demobilization. But even if the authorities, under compulsion or otherwise, did agree this might be far from being in the best interests of the men themselves. It would certainly be much more expensive and it might aggravate the job of assimilation. A flood of inexperienced men will be more difficult to handle in the early stages of postwar employment than after the wheels of peacetime industry have started to move again.

No practical system of demobilization can possibly be fair to all concerned, but the job will not be made easier by a repetition of the serious riots, and threatening protest deputations that occurred following the last war. The important point now is that the best possible system be devised to ensure equal civilian opportunities for all who served and then, through a proper educational campaign, make certain that all facts become known. If the war tapers off gradually then our demobilization problems may be eased but it is foolish to count on such development. Only through careful preparation can we hope for a smooth transition from war to peace.

The Financial Post's Platform for War

1. *All manpower and resources, efficiently used, wherever needed, to win the war.*
2. *A national war cabinet of Canada's best, chosen not on party lines.*
3. *A non-political industrial executive to organize and direct procurement of war supply.*
4. *Pay-as-we-go policy, to the utmost possible limit to avert inflation.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *Planning NOW for postwar, by government and business, to ensure full employment and improving social standards through individual, competitive enterprise.*

The Capitalist and Poverty

In all the attacks which are made against our present system of society, the keynote is always some idea that men who own property, or direct great enterprises, want other people to be poor. That, of course, is nonsense.

It may be true that a few men who gain wealth and power are too stupid to understand where their own real interest lies. But that sort of person does not last long in our competitive society.

How would it help any manufacturer, or merchant, or utility manager for anyone to be poor? Poor men do not buy goods, or ship them, or use services.

The man who acquires money has to use it, or it will vanish. He has to invest it in enterprises, or lend it to other people to invest. He cannot hope for any return if the public at large are poor, for business prospers only so long as the community prospers.

Even if a man invests his wealth all in government bonds he has to hope that the nation will be prosperous, for government bonds of a nation of poor people are not a good investment.

The plain fact is that all this talk of predatory capitalists, trying to exploit other people and keep everyone poor, is largely eyewash. It can appeal only to those who have no real knowledge of how the world's wheels go round. It assumes that because a man saves his money or creates wealth he is necessarily dishonest. There are dishonest men in every group but no group should be indicted for the sins of a minority.

The wise investor, the man who owns or directs property, wants to see general prosperity. He wants an income from his investments and a larger field of service to the community. However mistaken or clumsy an individual investor may be in his policies, this simple basic fact is there. Capitalists, big or little, do not want poverty. They want everyone prosperous. They want every one to be a property-owner—a capitalist.

Will We Drive More Slowly?

The reason is unexplained but the Vancouver Sun recently devoted important editorial space to the results of research on the speed of animals.

Probably with no significance whatsoever, it starts out discussing the speed of snakes, as reputed in some undefined quarters and as proven by scientific authorities.

Thus The Sun presents its findings:

There are no snakes which outrun a man. Their top speed is two miles an hour made by rattlesnakes.

The domestic chicken does nine miles an hour when in a hurry, but the roadrunner of the southwestern United States can turn up 20 m.p.h.

Man, when he subjects himself to 100-yard speed tests, gets to 22 m.p.h.

Greyhounds hit 36 and race horses 42. Jack rabbits (very excited) get 45. Prong horn antelope turns up 60.

These facts, plus the philosophising we have done as wartime tram and bus riders, should be conducive to the postwar emergence of a breed of car drivers devoted to the moderate speeds.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

The Fifth Freedom — Right of Individual Initiative

From an address by Arthur C. Morton, vice-president of the Herald Publishing Co., Montreal, and immediate past president of the Rotary Club of Montreal, delivered before the Rotary Club of Sherbrooke, P.Q.

The Four Freedoms have been extensively publicized. They seemed sufficient—I now think they are not.

These freedoms, separately or combined, if we are to enjoy them, impel a fifth freedom. You cannot have freedom of worship without assuring the individual freedom of thought which implies freedom of action. You cannot have a free press and a government of and by the people unless you allow freedom of thought and freedom of action. You cannot have freedom from want and a happier world in a material sense unless you permit the individual to seek his own employment and employ what individual initiative he may possess. You cannot have freedom from fear under a government of bureaucrats. Therefore, the postwar program must be based on the fundamental belief that individual initiative and free enterprise must be preserved, for without these we cannot have free labor and free government. If we lose the right of individual initiative and free enterprise we lose the other freedoms as well.

We haven't got it today. We have properly turned over the general direction of our war economy to the state, and in the immediate aftermath of the war the state will have to maintain many of its controls. The task of demobilization will not be a light one for never has there been such upsets as in the war that began in 1939. And surely no one will deny that there is a growing group in Canada advocating not a lessening of state control but an extension of state control over the economy of Canada. We must eventually choose between free enterprise or retaining and extending our wartime economy of state control. Where would the latter course lead us?

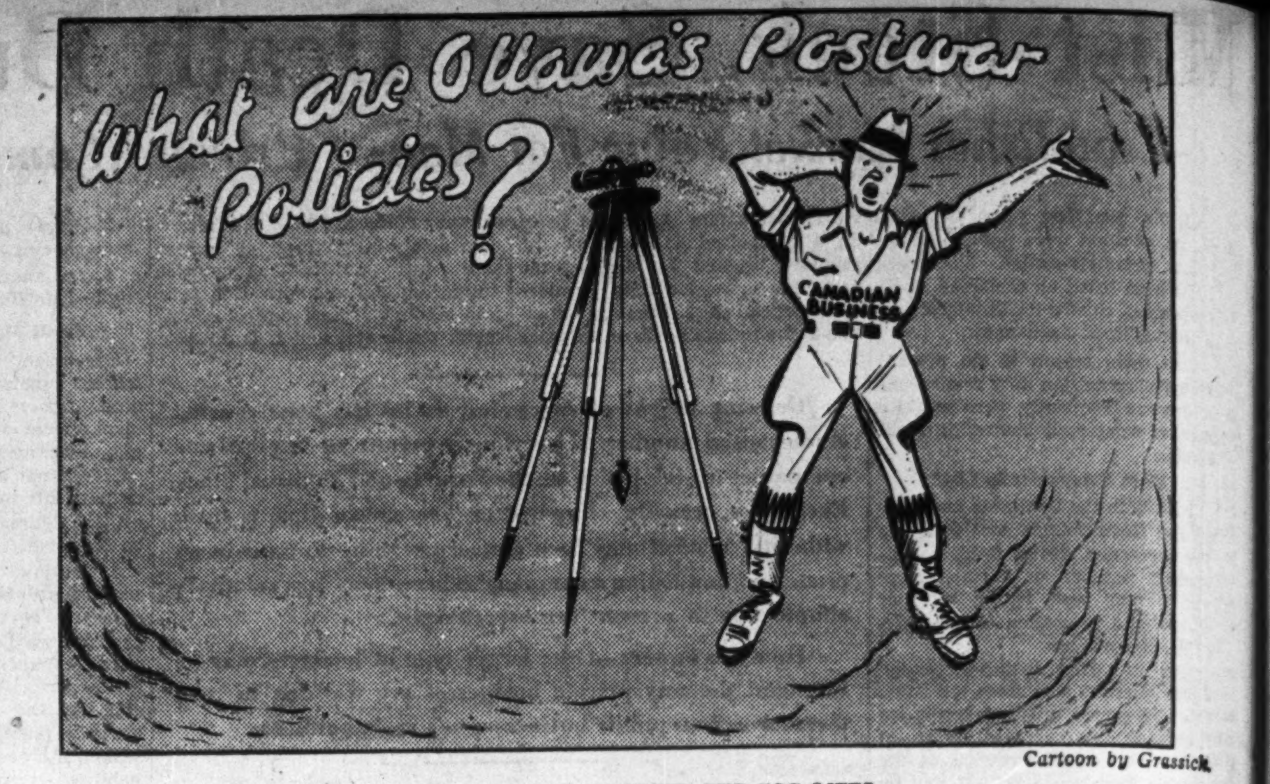
Look at what happened in Germany.

She subordinated freedom of personal initiative and private enterprise under the pretence that government control of everything would benefit everybody. She went so far as to nationalize private enterprise with the net result that the parties in control of government alone benefitted.

You take away from the individual the profit motive and you take away the inspiration for initiative, enterprise, ambition and adventure. If, of course, by profit motive is meant the "accursed lust for gold," which considers work only on the basis of the money made and with no regard for the social benefits that come from gainful employment both to individuals and to society, then decent citizens should condemn the profit motive. But to work solely for profit is one thing and to work regardless of profit is quite another. They are poles apart and between these two extremes are engaged the great bulk of the workers of the world with many mixed motives, all entitled to reasonable consideration.

I believe that government should take on its shoulders many of the community services that today are being maintained by the charity of a small percentage of our population. In the after-war days, I hope that certain forms of community service will be governmentally supported — such services as child welfare, the protection of youth in industry, public health in all its various phases and branches, the rehabilitation of the crippled child. But between the assumption by the nation of these necessary services and assumption by the nation of the ownership and operation of all the business enterprises in which the people are engaged there is a great difference.

In one case the government would assume responsibility for promoting conditions that make for the health, well-being and equal educational opportunity of all citizens. In the other it would control the individual activity of every individual in the state from the cradle to the grave, giving the people through a hierarchy of bureaucrats that could only be supported by crushing taxation, what is called "security," but denying them freedom in their personal activities.


What are Ottawa's Postwar Policies?
CANADIAN BUSINESS

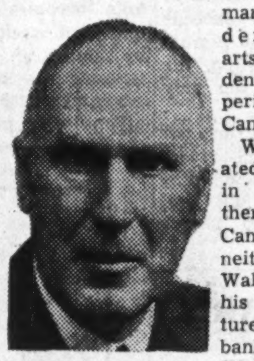
Cartoon by Grassick

HE CAN'T DO ANYTHING UNTIL THE FOG LIFTS

Post-Scripts . . . .

Imperial's New Head

Rugby and hockey fans of 45 years ago will readily remember Robert S. Waldie who played on the championship teams of those days at the University of Toronto. The same man, then an undergraduate in arts, is now president of the Imperial Bank of Canada.



MR. WALDIE

When he graduated from Varsity in 1899, coming there from Upper Canada College, neither Robert Waldie nor any of his friends pictured for him a banking career. His first love was the lumber business which he came by naturally. His father was president of the Victoria Harbor Lumber Company and the future bank president accordingly grew up with the lumber trade in his blood. He still has a deep affection for the lumber business and lumbermen. But after completing his arts course at Varsity he decided to study law and graduating from Osgoode Hall, he practiced with the firm of Meredith, Cameron and Waldie in Toronto from 1903 to 1907. This legal training and practice Mr. Waldie has found invaluable in his later business career.

In 1907, Mr. Waldie's father died and Robert and his brothers were called on to take over the direction of the family business. Twelve years later he formed his first official connection with the banking business when he became a director of the Imperial Bank, becoming a vice-president in 1931. Gradually his attention turned more and more to the bank and for the last few years he has given much time to its affairs.

Of medium height, fair and clean shaven Robert Waldie gives an impression of strength and reliability. Shy and reserved in temperament, he has a keen sense of humor.

He was born at Burlington, Ont., April 3, 1877. He married Meta, younger daughter of the late Sir John Gibson of Hamilton, and they have two children: a son, a lieutenant in the Canadian Army at present stationed at Camp Borden and a daughter who is a Wren stationed at Halifax.

Formerly fond of all sorts of athletics and yachting, Mr. Waldie now confines his sports activities to an odd game of golf or family tennis. He is still an ardent rugby fan. He is also fond of a family game of bridge.

In addition to being president of the Imperial Bank he is vice-president of the Confederation Life Association, of General Accident Assurance Co. of Canada, and of the Canada Bread Co., and a director of the Minnesota and Ontario Paper Co. He is a Presbyterian and attends Rosedale Presbyterian Church.

Railway Auditor

Back in 1910, the heyday of railroad and canal expansion in Canada, a young chap by the name of Finlay Malcolm Maclennan, from Algoma District, Ontario, applied for a job with the engineer in charge of construction on the Sault Ste. Marie Canal He got it, and a couple of years later he was promoted to junior engineer in connection with the initial development of Port Nelson away up in Hudson's Bay in Manitoba. Port Nelson, incidentally, was chosen as first terminus of the Hudson Bay Railway, but later on the recommendation of a special commission it was abandoned in favor of Churchill.

MR. MACLENNAN

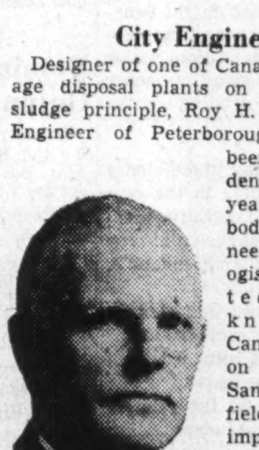
A couple of years later Maclennan transferred to Ottawa as assistant auditor in the Department of Railways and Canals and there he has been rising steadily ever since, first through the various auditing and treasury branches of the old Department of Railways and Canals and later its successor, the Department of Transport. Recently Mr. Maclennan was appointed Assistant Deputy Minister and Comptroller of Expenditures.

During his connection with the government service at Ottawa, Maclennan has been in close contact with the accounting and financial features of major activities of the department, including the completion of the National Transcontinental Railway and the Grand Trunk Pacific Railway, Welland Ship Canal, reconstruction of the Canadian Government Railways' facilities at Halifax which were destroyed by the explosion of 1917, the Grand Trunk Pacific Receivership, the acquisition of the Grand Trunk Railway, constructon of the Hudson Bay Railway, and the consolidation of the various roads now forming the Canadian National Railway System.

• • •

City Engineer

Designer of one of Canada's first sewage disposal plants on the activated sludge principle, Roy H. Parsons, City Engineer of Peterborough, Ont., has been made president of the ten-year-old national body (150 engineers, bacteriologists and other technicians) known as the Canadian Institute on Sewage and Sanitation. The field assumes wide importance in its responsibility for municipal public health through design, construction, operation and management of sewage works, refuse collection and disposal systems, street cleaning, stream protection and related works.



MR. PARSONS

At 68, lean, vigorous, kindly, Roy Parsons has had an active career in municipal public works, has directed Peterborough's paving, water and sanitation development since before World War I.

Street paving and sewage disposal were large questions in that city when he took office in 1913; now it boasts about 17 miles of permanent pavement, a hot-mix asphalt plant of its own, the big disposal plant (built in 1926-7), and the whole modern network of other urban utilities.

Parsons started his professional work in railways. Graduating in 1897 at Michigan State with a science degree in civil engineering he became an assistant divisional engineer during three years with Pennsylvania Railroad. Coming to Canada at the turn of the century, he joined an Algoma Central Railway surveying party exploring the Lake Superior hinterland.

As an assistant engineer with the City of Ottawa Mr. Parsons served at the capital for the next five years and then joined Warren Bituminous Paving Co., superintending street paving in Toronto, Ottawa and Regina, for two years. He returned to Ottawa, however, and became assistant city enginer; it was while Mr. Parsons held this office that Ottawa built, in 1910-12, a three-quarter-mile water aqueduct through solid rock.

He is a member of the Engineering Institute of Canada, and Ontario Association of Professional Engineers, besides the CISS.

• • •

Sayings of the Week

"Totalitarianism has an insidious, a sinister appeal — an appeal that is by no means limited to those nations where it is completely dominant . . . It appeals to those who find it difficult to bend democracy to serve their economic or political self-interest."—*Wendell Willkie at Boston this week.*

• • •

"For nearly 12 years we have lived under the presidency of one man and the administration of one group. Irrespective of the abilities or motives of the individuals involved, such long continuance of power is hazardous to the perpetration of free government." — *Wendell Willkie, speaking at St. Louis.*

• • •

"As soon as the war is ended the (British) soldiers will leave off fighting and the politicians will begin. Perhaps that's rather a pity, but at any rate it isn't so bad as what goes on in some countries, which I shouldn't venture to name, where soldiers are fighting abroad and the politicians are fighting at home." *Prime Minister Winston Churchill.*

• • •

"If we need each other and find it profitable to work together in war, certainly the need is more vital and the profit greater in peace, as perfection and insurance against future war, as a mental help in building up our respective economies."—*Edward L. Bernays, U. S. Public Relations Council, advocating a joint "Canadian-United States Board for Mutual Understanding" at Toronto last week.*

Stop Me If . . . . .

The tax assessor's office had to decide on which side of the Canada-United States border an old lady's newly purchased farm lay. Surveyors finally announced it was just inside the United States border. The old lady smiled in relief. "I'm so glad to know that," she said. "I've heard that winters in Canada are terribly severe."

The Financial Post

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Other People's Views . . . .

The Canadian Editorial of the Week

Peace Won't End Our Troubles

Ottawa Journal

Of all the things said at the conclave of the Canadian Chamber of Commerce those said by Prof. Gilbert Jackson seem to us the most sensible. Thus:

1. Irresponsible talks about planning are getting far too much publicity.

2. The trouble with glib talk about planning is that vague phrases become slogans, then slogans become promises. Words like "full employment" become pie in the sky; yet no sane man imagines that full employment will ever come.

These things need to be said often by those who can speak with authority. Otherwise, in a confused auctioning of Utopias, and with "full employment" and "health insurance" and "social security" on the lips of everybody, we shall come to believe that the war's end is to bring us manna from Heaven.

The war's end will bring us nothing of the sort. Much more likely will it bring us dislocation, continuing high taxes, trial, a taxing of fortitude. And these things, if or when they come, will be little helped, certainly not overcome, by people with Utopian blueprints. They will be met and overcome only by the faith and spirit of sacrifice of our people; by what Mr. Churchill once called "toil and tears and sweat."

As Others See Us . .

Two Kinds of Bureaucrats

St. Maurice Valley Chronicle

There is nothing quite so dangerous or untrue as a generality. Consequently, when businessmen throughout Canada damn all bureaucrats without discrimination they are guilty of condemning some men who, occupying governmental positions, without whose administrative ability and specialized knowledge to Canada could not make its maximum contribution to the war.

As The Financial Post points out we need have no fear whatever of being saddled with a muddled and permanent bureaucracy from the really good men. In many government departments Canada is blessed with having outstanding deputy ministers and other top civil servants to carry on the business of government with a devotion and efficiency and skill which would command twice the remuneration in private enterprise.

Many other good men have gone into government service as a wartime contribution at a substantial loss to themselves and to their companies. These men are avidly waiting the day when their sense of duty and the national interest tells them that they can go home; that they can satisfy the clamor of their own enterprises to have them back.

But the day will come after victory when an alert public opinion will have to see to it that employment on a war board does not result in hundreds expecting and getting permanent nests in the government service.

• • •

Provinces Should Control

Ft. William Times Journal

The question: "Should control of education continue to be vested in the provinces?" has been raised by The Financial Post and a highly imposing and informative symposium of opinions has been printed by the paper. Among those submitting opinions for the symposium are eminent Canadian educationists, mayors, editors and at least three provincial premiers.

The bulk of the opinions favor continuing control by the provinces although there are others who unhesitatingly advocate federal control which would tend to develop a uniform national character of a high order. Those who favor provincial control, for the most part, are in favor of active federal co-operation in the way of grants and the establishment of a well organized central bureau of information.

The underlying reason behind any movement to perform a major operation on the educational systems of the country probably is that some of us, in some parts of the Dominion, think that some other parts of the country are not keeping up with the procession. Naturally, such persons would think that one central control at Ottawa would keep all the provinces abreast. There is an assumption here of an inferiority on the one hand and a superiority on the other and such assumptions are likely to cause considerable resentment.

Education of the rising generation is a matter close to the heart of all provincial governments and education is something that admits of wide and varied interpretation. It cannot be confined into one narrow-necked bottle and at the same time be of benefit to all.

Provincial control of education also gives free play to wholesome competition and the opportunity for emulation. In our opinion those contributing to The Post's symposium who favor provincial control along with a fatherly interest and liberal financial aid from the federal government have the right idea.

• • •

We Blush

Fishermen Workers' Tribune (Nfld.)

We have long been an admirer of that excellent financial and business publication of Canada, The Financial Post, but we believe that one of the finest efforts that we have seen in a long time is contained in its issue of September 25. On that date The Post came forth with an issue devoted to a survey of the war activities and postwar plans of Canada and the United Nations which contains more factual information of just what is being done along these lines than anything we have yet seen compiled under one cover.

The editors of The Post are to be congratulated for their fine achievement and for the thought-provoking material contained within its pages. On the strength of present plans and aspirations, the cause supported by Messrs. Hitler and Company cannot avoid a speedy and dismal end while the outlook for the new world that is to follow appears bright in the extreme. Out of the present blood bath and purge of fire will arise a new structure in which mankind will achieve that true freedom for which the world has been seeking.

• • •

Postwar Trade

Saskatoon Star-Phoenix

The Financial Post raises the old question of tariffs in the postwar world. It rightly points out that Canada would derive much more benefit from multilateral trade agreements bringing about an all-round reduction of the tariff than from bilateral agreements which might reduce trade almost to a barter status. It also points out that very little postwar planning is being done on this phase of international relations.

Very many difficulties stand in the way of an all-round tariff reduction, not the least of which is the attitude of many commercial interests, both in Canada and abroad, who fear competition in a world devoted to freer trade.

There can be very little doubt anywhere that international trade must be placed on the broader basis of freer exchange after the war than it was before if nations are to find economic prosperity and full employment. It is time that the governments of all the United Nations should be exploring this problem. Because Canada, more than any other country, depends for its prosperity on foreign trade, it would appear most appropriate that this country should take the lead in a general downward revision of tariffs.

Mr. McTague on Wages, Labor

Speech Reveals Thinking Behind NWLB Report

Speaking at the Seigniory Club, Mr. Justice McTague did a very useful job in revealing the thinking behind his much-argued report to the Government on wages and labor conditions. . . .

The Post here reprints a slightly contracted text of Mr. McTague's address.

The labor question probably is the most important one on the home front.

That does not mean that everybody needs to lose a sense of proportion in trying to deal with it. The tendency of all participants is to become too wrought up, either overemphasizing social justice on the one hand or economic justice on the other.

The solution depends on a gradual reconciliation of both principles. If labor looked more carefully at the balance sheet and earnings statement and industry looked more sympathetically at the workers' welfare, things would work out much more smoothly and equitably.

The employer knows the problem of labor better than any other class. It is a part of his daily job. As long as he lets it go and does nothing about it or delays action when he can afford to take it, there are lots of schoolteachers, professors, doctors, lawyers, and even judges who will undertake it for him — and probably, almost inevitably, make a proper mess of it too.

Two-branched Problem

At this juncture of our history the problem naturally divides itself into two main branches, the one having to do with the right of collective bargaining and the other having to do with wages.

The right of collective bargaining is but a development of the old, equitable principle that where one party dominates, or is in a position to dominate, the other, the prima facie results is an unconscionable contract.

The right of the workers to bargain collectively began to be asserted about the middle of the nineteenth century and in England was admitted by statute as early as 1871. In England the right became recognized in a practical, realistic way pretty generally by employers until today it is fully accepted and the bargaining process is carried out, one might say, universally without any legal compulsion or intervention whatever.

In the United States and Canada employers generally followed a different trend. They resisted to the full any practical submission to what labor claimed was an inalienable right. Then in the U. S. the politicians and the State took over and compelled employers to co-operate in the process of collective bargaining. Today in Canada we are in about the same position as the U. S. was when the Wagner Act was passed.

What to Do

The present question before the country is what is going to be done about it? In the abstract sense the right of the workers to bargain collectively has never been extensively challenged by employers in this country in recent years. The rub has always come when the question ceased to be an abstract one and became a practical one for the employer in his own plant. When that situation came about most employers found ways and means of resisting. The principle was all right with an employer until his own plant was affected—then it became all wrong.

In this country we have been singularly backward in dealing with this problem. When we had to tackle the enormous task of war production, attention naturally became focused on the labor problem and the Government passed its declaratory Order-in-Council 2685 extending its benediction to the principle of the right of the worker to be represented by the union of the workers' choice.

No doubt it was reasoned that the formal declaration would provide an added impetus to the development of a system such as had been worked out in England without legislative compulsion. There can be no doubt that the solemn declaration made by the order-in-council did not have the effect desired—at least in any quick period of time. So now we are faced with the principle of compulsion. The question is what are we going to do about it? Or rather perhaps what is going to be done about it for us?

A Personal Argument

Generally speaking the average employer who resists collective bargaining bases his opposition on the personal argument. He says he is quite willing to subscribe to collective bargaining if he only had a responsible union to deal with.

There can be no doubt that there is a good deal of merit in his contention. However, responsibility is not something that is born. It is something that develops as the result of association. How can a union ever demonstrate its responsibility without a contract?

There can be no doubt that we have many irresponsible labor leaders—a particularly large crop of professional advocates has come to the fore in more recent years. But we have responsible labor leaders too, lots of them. It is all very well to talk of the responsibility of the railway unions. That was not spontaneous responsibility. It has developed with the years. The railway unions in the United States were born in strikes and even bloodshed when the common man was asserting his rights, and as regards the English unions, who has not heard of the Todpuddle Martyrs?

Endure Irresponsibility

Irresponsibility does exist—and a large measure of it—but it must be endured and also must be dealt with in any legislation which compels an employer to bargain collectively. We are a nation sufficiently grown to deal with our own problems in our own way. We can benefit by the experience of other nations and avoid their mistakes too.

Because the U. S. has a Wagner Act is no reason for us slavishly copying it. We should try to improve upon it and provide proper balances. You cannot legislate complete responsibility. That must be developed through association. You can ensure some reasonable measure of it through legislation.

Trouble Overemphasized

There is not nearly so much trouble in the offing as certain people seem to anticipate. The average Canadian workman is a pretty reasonable person and I think we must all pay tribute to what he has done in this war up to date.

It is perhaps but human that he seeks higher wages to better his living conditions. If it is brought home to him in a reasonable way that there is a limit to what an employer can do in the way of wages he is not going to be unreasonable. Sometimes I grant you he is promoted to an unreasonable temporary outlook by professional agitators.

What the worker appears to seek in these particular times is a share in the knowledge of what goes on and an opportunity to contribute, not only by his hands, but by his brains as well. He is really seeking in his own way that which we all seek—a fuller life, a greater share in the responsibility of war production and reasonable appreciation of his efforts. There will be snags and difficulties to iron out by the way of diplomacy. But there is always this consolation—that employers in many lands, and many of them many years ago, have faced the same type of problem with success.

The Wage Question

The basic question of wages must be looked at in the light of the Government's wartime wage policy. It is a policy directed against the evils of inflation and, viewed in that way, I think meets with pretty general approval.

Anticipating a degree of inflation from experience of the last war the Government has courageously introduced a system of wartime controls of prices, wages and profits. Since wages is the great cost factor in production whether of war materials or consumable goods, it is quite evident that unless there is some control the volume of money to spend will have run so far in advance of the supply of consumable goods that prices must go up unless they, too, are controlled. The one control supplements the other.

I have to listen to many expositions of the proposition that increased wages have nothing to do with inflation. But I still think there must be control over wages as well as prices and profits. I also reached the conclusion that the existing system of wage controls was not doing an adequate job.

The Anchor Slips

Under P. C. 5963 wages could be raised where they were low as compared with those for a substantially similar job in the same or a comparable locality. No doubt it was thought that the anchor place would be Nov. 15, 1941, as provided in the order. In point of practice, however, I found that what was happening in administration was that constant new norms were being set up for comparative purposes and that wages, particularly in war industry, were steadily rising.

I do not single out any section of the community or any board for particular criticism. It was just the natural human thing to happen under pressure. Employers sought authorizations to pay higher wages when faced with manpower difficulties or they co-operated in joint applications with unions. The boards were inclined to grant these requests when no controversy was involved.

Then the boards unconsciously fell into the habit not of comparing the situation as it was at Nov. 15, 1941, but as it was at the time of the application. It was not very long after I accepted the chairmanship that I had a strong suspicion this was so. Subsequent analysis has reasonably convinced me of the accuracy of the diagnosis. You ask me what is the answer.

Need a New Anchorage

I say that another and more simple anchorage has to be found and we must start all over again. In the primary interest of the worker the line against inflation, though several salients have been made in it, must be held. No class in the country stands to suffer more from the evils of inflation than the low-wage earner, particularly if a breakthrough occurs either shortly before or shortly after the peace.

This country with its great expansion of industrial means of production has fundamentally changed its character in the last four years. We can see many rays of hope in looking through to a postwar era. But if a fundamental characteristic of the postwar era is to be greater freedom of trade, as seems to be indicated in the Atlantic Charter, then we must keep a wary eye on costs. An overextravagant wage structure will prove a severe handicap and overly high wages attained now will in the long run defeat the interest of industry and labor alike.

I have said that my analysis of what has transpired to date indicates to me that, in spite of controls, wages are moving dangerously high.

Wages Unfairly Distributed

That does not mean that the increased wage bill has been equitably distributed. An undue amount of the increase has been absorbed by certain classes to the detriment of the lower paid wage earner who really needs the increase.

There is no need to go into exhaustive budget studies to prove the proposition. Just ask yourself the simple question—"If I were the head of a young family and earned $20 weekly, what can I do about living?" Don't think of the problem as an abstract one. It is a human, practical one.

If the country's economy can't absorb it through increases extending beyond the class which is really affected, then some other solution must be found. There is little use in glibly talking about family allowances being a substitute for wages. No one suggests it is. It represents a measure of social security to people whose status really requires it.

A strong commission in Australia investigated the proposition as to whether the economy of that country could support a minimum wage to extend over all workers regardless of status which would provide sufficient money to heads of families to keep their families in reasonable comfort. The commission concluded that the national economy simply could not support such a wage structure. It was not a case of substitution of one thing for the other. Investigation simply proved that practical alternatives did not exist.

Inequalities and Injustices

In spite of the large increase in our wage bill to date there also exists inequalities and injustices. They probably will always exist. A continual process of rectification must go on. Even in the greatest industrial country in the world, our neighbor to the south, President Roosevelt laid it down as corollary to the Little Steel Formula that the National War Labor Board still retained jurisdiction to remedy gross injustices and inequalities. We must retain the same principle.

What cannot be overlooked for a moment by either industry or labor is that being engaged in war must inevitably modify the application of what are good basic principles in time of peace. Every industrialist who thinks only in terms of his own particular problem must have an eye to the problem he may be foisting on his brother industrialist. Every labor leader who by pressure methods forces large increases in wages in a particular industry should think of the effects of his action across the whole national picture.

You simply cannot keep these matters isolated. Each case sets up a virus that runs wildfire through the whole structure. This is a time when we are all expected to sacrifice. Constant consideration of that principle will go a long way to solving our problems now in time of war and will also go a long way to solving in advance the problems which will have to be met after the peace.

There is no need to become hysterical or hectic in meeting the problem. It is only a phase of history through which we are going. Labor is fundamentally decent and so is industry. Both need to be more tranquil and less militant and there will be less mistrust, dissension and condemnation of the one by the other. Let's take the class warfare idea out of the picture. There really is no need for it. Given a decent set of rules to play the game by, the game should be played decently and honestly without political spectators egging on the players to injure one another.

POSTWAR PLUMBING

In the plumbing field after the war, glass, plastics, plywood, aluminum, etc., will still be in test or modified experimental use, manufacturers told the (U. S.) National Association of Master Plumbers at a recent Chicago meeting. For some years, it was declared, iron, steel, ceramics, lead and copper would continue to make up most plumbing fixtures, pipe and fittings.

Boren Suggests Plan For Paper

Congressional Committee Proposes Program to Boost Newsprint Supply

From Our Own Correspondent

MONTREAL — An 8-point program is suggested by the Boren Committee to President Roosevelt to ensure adequate supplies of newsprint paper. Recommendations follow:

1. Selective Service give greater consideration to the deferment of skilled woodsmen;
2. War Manpower Commission provide for the return and re-assignment to the forests of wood cutters now engaged in less essential occupations;
3. Use of prisoners of war in pulpwood production wherever feasible and possible;
4. Furloughing from military service of a sufficient number of woodsmen to guarantee necessary pulpwood production;
5. Use of "your good offices with our Canadian friends in obtaining their co-operation in increasing pulpwood and paper production in that country."
6. National appeal to American farmers to supply as much pulpwood as possible from their own wood lots, and to devote as much of their time as can be spared from the production of crops to the cutting of pulpwood trees in nearby forests;
7. Nation-wide campaign to impress upon the people of the United States the need for paper conservation;
8. An enlargement of the present paper salvage campaign and encouragement of American paper production, and the reconversion and use of wastepaper in the manufacture of newsprint and paper.

Manpower Only Lack

In his report to the President, Lyle H. Boren, chairman of the special committee, says that as a result of its investigation, the Committee found there is plenty of pulpwood in the forests of the United States and Canada, adequate capacity, machinery and skilled mill workers to manufacture the pulpwood into paper, and available transportation for its delivery to the consumer.

The only element in paper production found to be lacking is the manpower in the woods to cut the pulpwood. This shortage of manpower, says Mr. Boren, is estimated at between 18,000 and 20,000 trained woodsmen in the United States and from 20,000 to 22,000 in the Canadian woods.

Reliance Grain Co. will pay, on Dec. 15 next to shareholders of record Nov. 30, $1.62½ on account of arrears on the preferred stock, along with the regular quarterly dividend. Payment is subject to approval of the FECB. Arrears, after giving effect to the payment, will amount to $4.87½.

Says Building Can't Take Up All Job Slack

K. M. Cameron Warns West. Engineers Against Overoptimism

President K. M. Cameron of the Engineering Institute of Canada, in addresses given during a recent western trip, attempted to undo impressions he said were general that construction would be chief source of postwar re-employment, and that technological development might make advance plans obsolete.

He put dollar value of production of all classes in Canada before the war at 47% for manufacturing, 27% for agriculture and only about 7% for construction. It was clear, he said, that conversion of industry to peacetime production would have to absorb the largest percentage of the unemployed. "Even if we launched a billion-dollar construction program in the first postwar year, and I doubt if we could, we would only employ about 750,000 persons," the Engineering Institute president declared.

As against this he said the postwar job-finding task would involve 722,000 men and women to be discharged from the armed forces, another 1.03 millions from war industry, and still another 1.08 millions in high priority industries for many of whom transfer might have to be arranged.

200,000 Go to Building

Peacetime building, Mr. Cameron thought, would absorb perhaps 200,000 of the 1.76 million service discharges and war workers. Of construction workers now in uniform, numbering 35,000, about 37% had been promised re-employment in their own field on discharge. Construction workers had transferred to war factories to the number of 25,000 and, in turn, construction had drawn 102,000 from other labor.

Mr. Cameron, chief engineer of the Dominion Dept. of Public Works, and chairman of the construction projects subcommittee of the recently retired James Advisory Committee on Reconstruction, addressed EIC branches and provincial associations of professional engineers in several western cities.

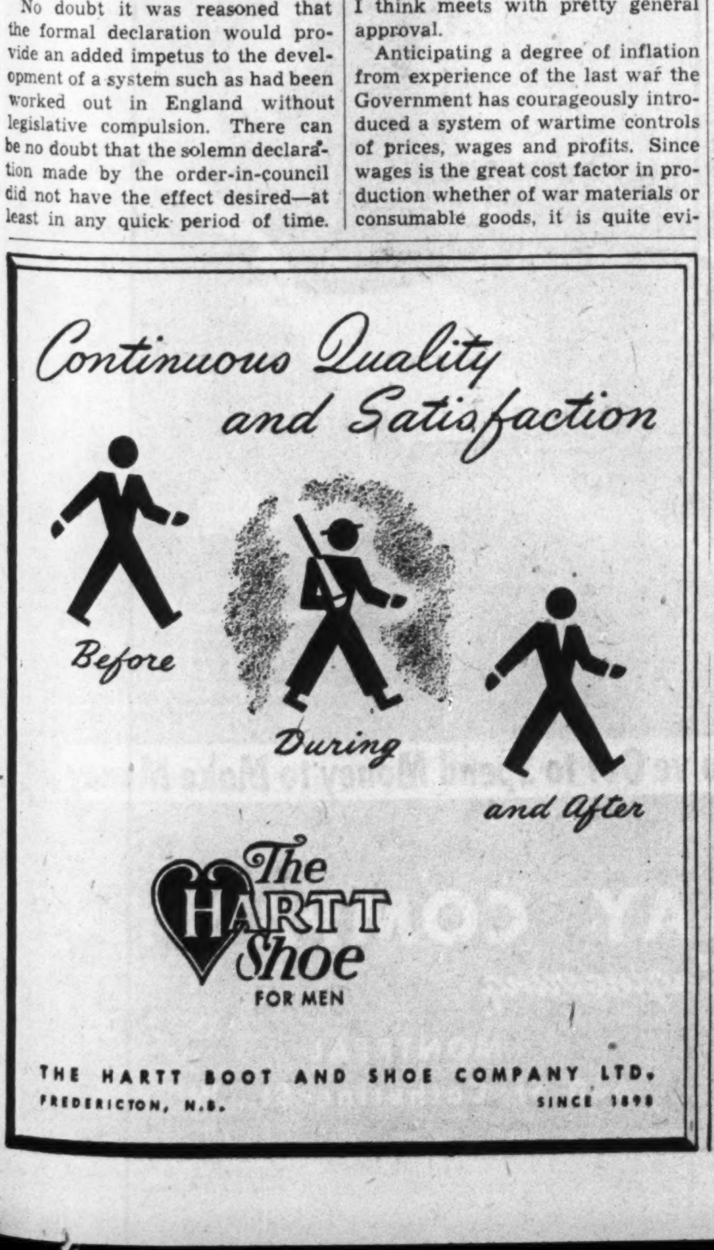
Discounting publicity about changes that are going to be effective as soon as war is over, he said recent contributions of science and engineering in new materials and methods would still be under early test in the construction field at that time. There was little likelihood of construction practices being revolutionized soon and plans for peacetime building should not be held back on the ground they might be obsolete as soon as completed.

The Week in Business

	Oct.	Sept.	Aug.	July	Year Ago
Financial Post Production Index	....	258.4	255.5	254.4	222.6
National Income, D.B.S. (c)	....	$745	$732	$749	646
Dom. war expend. (million $)	....	247.2	436.3	264.2	130.9
Dom. total revenue (do.)	....	215.9	208.7	283.0	162.4
Dom. total expend. (do.)	....	389.8	470.3	498.9	319.0
Dept. store sales index no.	....	156.3	148.4	144.7	152.7
▪Retail sales index no.	....	158.8	162.1	155.4	152.6
▪Wholesale sales index no.	....	185.4	171.4	170.8	177.9
Country store (% change pr. yr.)	....	+5.7	+7.7	+17.6	+12.6
Divd. payment index♦	123.9	124.0	124.2	124.2	123.3
Bank deposits (1935-39=100)	....	170.7	169.9	176.0	170.1
Cash and cheque pay. index	....	180.2	161.3	174.7	139.7
Bank debits (1935-39=100)	....	171.6	157.1	158.2	134.5
Money supply (c)	....	4,760	4,735	4,861	3,927
NEWSPRINT % OF CAPACITY—					
Production ratio	....	70.7	70.1	70.9	72.4
Shipment ratio	....	68.7	70.4	76.8	82.1
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	148.4	182.8	187.7	127.1
Cars (D.B.S. index)	....	122.9	138.7	148.0	117.4
COST OF LIVING—					
▪D.B.S. index	119.3	119.4	119.2	118.8	117.8
EMPLOYMENT INDEX No. D.B.S.—					
▪All Industries	....	186.2	185.9	183.7	179.3
▪Manufacturing	....	229.9	227.7	226.5	215.6
▪Payrolls (June 1/41=100) (b)	....	148.9	147.7	145.7	135.3
Payrolls (1937=100) (a)	....	....	215	226	202

RAILWAYS—	1943	1942	1943 Jan. 1 to date	1942	Change %
▪Carloadings (week Oct. 30)	77,835	71,882	2,883,519	2,848,242	+1.2
C.P.R. gross (week Oct. 21) $	5,881,000	5,088,000	233,901,000	202,359,000	+15.6
C.N.R. gross rev. .... (Sept.) $	36,946,000	33,860,000	326,949,000	270,827,000	+20.7
C.N.R. net rev. .... (Sept.) $	9,425,000	8,632,000	72,118,000	62,761,000	+14.9
C.P.R. gross rev. (Sept.) $	26,289,433	22,113,749	216,019,305	187,126,616	+15.4
C.P.R. net rev. ... (Sept.) $	3,784,765	3,569,177	32,761,861	32,005,741	+2.3
IRON AND STEEL—(September)—					
Pig iron production (tons)	147,902	155,900	1,331,966	1,464,631	—9.0
Steel production ... (tons)	241,255	244,922	2,237,736	2,309,588	—3.1
CONSTRUCTION—					
▪Contracts awarded .. (Oct.) $	19,238,500	21,412,800	179,968,100	249,899,700	—28.0
Building permits .. (Sept.) $	6,992,893	10,900,174	59,638,445	81,221,368	—26.5
Cement prod., bbls. (Aug.)	952,500	1,230,065	4,888,326	5,938,311	—17.6
AGRICULTURE—					
▪Flour prod., bbls. .. (Sept.)	2,014,255	1,737,472	18,007,023	14,873,098	+21.0
▪Cattle sales▴ .... (Oct.)	117,573	118,489	933,006	913,199	+2.2
Hog sales▴ .... (Sept.)	524,862	460,407	4,676,756	4,400,396	+6.2
SEA FISHERIES—‡					
Catch, cwts. .... (July)	1,659,279	1,387,400	5,344,855	5,804,685	—7.9
Landed value ..... (July)	6,570,634	5,097,200	21,387,627	15,550,040	+37.6
NEWSPRINT—					
Production, tons ... (Sept.)	251,827	257,618	2,217,432	2,410,209	—8.0
Exports, tons .... (Sept.)	227,775	275,791	2,102,322	2,263,179	—7.1
MINING AND OILS—					
▪Coal prod., tons ... (Sept.)	1,441,270	1,469,672	13,126,656	13,904,025	—5.6
Gold rec. (fine oz.) (Sept.)	286,771	382,880	2,788,396	3,547,871	—21.4
Petroleum prod., brl. (July)	831,412	869,034	5,869,282	6,109,072	—3.9
ELECTRICAL POWER OUTPUT—(September)—					
Total monthly 1,000 kw.h.'s	3,376,775	2,954,285	29,898,835	27,583,531	+8.4
FOREIGN TRADE—♦					
Imports .... (Sept.)	137,271,083	126,344,012	1,276,973,136	1,240,275,411	+2.9
Exports .... (Sept.)	247,368,469	207,514,839	2,137,101,880	1,692,296,993	+26.3
OTHER INDUSTRIAL FACTORS—					
Shoes, prod., pr. ... (July)	2,777,758	2,773,334	23,028,795	21,864,466	+5.3
Cotton consump., lb. (Sept.)	15,009,743	15,824,873	138,765,250	148,371,065	—6.4
Cigarette cons. No.† (Sept.)	923,720	890,169	8,204,882	7,221,828	+13.6
FINANCE—					
Bank debits† ..... (Sept.) $	4,485,004	3,516,107	38,378,604	32,291,692	+18.8
Bond sales† ..... (Sept.) $	750,202	255,223	4,394,117	2,844,274	+54.5
Life insurance sales (Sept.) $	49,288,000	55,790,000	427,003,000	379,409,000	+12.5

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. †000 omitted.
▴Total at yards and plants. ▪New items for week.
♦Supplied by Nesbitt, Thomson & Co. (c) 000,000's omitted. ♦Gold excluded.
(a) Compiled by Canadian Bank of Commerce. (b) All industries. §Estimated.



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How a home-front army suffers heavy casualties

LAST YEAR, more than 2,300 Canadians lost their lives in accidents within their own homes.

In the same year, *thousands* of workers were temporarily disabled by accidents in their homes.

The working time lost by this huge Home-Front army was enough to build many tanks, guns, planes, ships, and other vital war matériel.

Most home accidents need not happen. Carelessness is the chief reason why friendly, familiar surroundings are so often the scenes of accidents which cause pain, grief, and financial loss.

Today, especially, it is your responsibility and that of your family to help reduce the number of home accidents. *The practice of the three basic safety principles outlined below would eliminate most of them.*

Remove danger points. Keep stairs, including railings, in repair and well-lighted . . . *a greater number of serious accidents occur on stairs than in any room.*

It is sometimes wise to put guards on windows so that children won't fall.

Have electrical equipment, irons, heaters, toasters, etc., inspected and repaired. Replace frayed cords and loose plugs. Watch out for leaks in gas appliances and pipes. Clean chimney flues and heating equipment regularly.

Practice good housekeeping. Stairs and landings should be kept free of brooms, toys, boxes, and other objects which might cause falls. Scatter rugs should be securely anchored. Don't use wax too liberally on floors and take care that it is rubbed in thoroughly.

Tie back kitchen curtains so that they won't catch fire. Knives and sharp instruments should be kept in a safe place when not in use . . . handles of pots and pans on the stove should be turned in to avoid tipping.

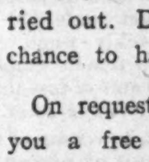
Keep furniture and other objects out of the way so that you won't trip or stumble over them.

Develop careful habits. Use a stepladder, or a straight, strong chair—not the nearest rocker or box—when reaching to high places.

Careful householders will disconnect electric appliances like irons and curlers before leaving the room. They will never leave a hearth fire, whether gas, wood, or coal, unguarded.

Close cupboard doors and bureau drawers promptly to avoid collision. Get rid of broken glass or other sharp refuse as quickly as possible.

Hands should be dry when touching any electrical switch or apparatus.



Make a tour of your home this very day. Check for yourself, and urge your family, especially the children, to see that these three basic safety principles are consistently carried out. Don't give an accident a chance to happen!

On request, Metropolitan will send you a free folder, "Home Defense Against Accidents."

75th ANNIVERSARY—1868-1943
Metropolitan Life
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Leroy A. Lincoln,
PRESIDENT
Canadian Head Office: Ottawa

Metropolitan Life Insurance Company
Canadian Head Office, Ottawa
Please send me a copy of your booklet, 11-Y-43.
"Home Defense Against Accidents."
Name
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City Prov.

In Your Opinion

What Can Ottawa Do Now to Clear Way?

The Question: What specific steps could the government take now to help business make definite plans for postwar development and employment?

Dr. E. F. Beach

Director, School of Commerce, McGill University, Montreal.

The disorganization which results from a possible serious inflation is the most dangerous of the uncertainties which face businessmen. Hence the government must watch carefully the growing pressures upon its price and wage controls. A stronger stand must be taken on illegal strikes. Canadians must be made to see that an all-out war effort necessitates a reduced standard of living for all.

* * *

W. H. Belford

Editor, Times-Journal, Fort William, Ont.

The government should give assurance to business and industry that wartime controls would be lifted bit by bit and as speedily as possible after the war is over so as to allow business to start functioning.

The government now should be preparing for the carrying out of public works and have plans ready so that tenders could be called on a few days' notice. Aid to municipalities who are asking for postwar grants could be decided on now as well as after the war, thus permitting definite planning by the municipalities to go ahead. There will be a great postwar demand for supplies that have been short and the government should plan to facilitate the production of such commodities.

* * *

J. R. Burnett

Editor, Charlottetown Guardian, Charlottetown, P.E.I.

Business is now kept going largely by the flow of government money. When peace is declared the armed forces should be continued on pay allowances for one year with the right of voluntary demobilization. Every sailor, soldier and airman with at least three years active service should be given twelve hundred dollars on a monthly installment plan on signing off. Efficient bureaucrats should be retained till absorbed in ordinary civil service.

A bottom price should be imposed for five years on farm produce.

War plants changing over to civil industries should be subsidized for periods necessary to redevelop domestic and world markets.

Family allowances should be instituted for more than three children.

Assisted immigration should not be introduced for three years.

* * *

D. A. Campbell

President, St. Lawrence Flour Mills Ltd., Montreal.

Aside from a general plan of slow demobilization of the fighting forces and their support until suitable employment is found, the government should speed the war effort. It should leave details of grandiose postwar planning to intellectuals and theorists, many of whom forget that this war was and is still being fought to save national extermination and not to give birth to a dreamer's paradise wherein none of us need think, work or save. They would be leaving it all to a continued bureaucracy which, ironically enough, would soon become the very thing against which we now fight for our lives in Europe.

* * *

A. D. Ganong

President, Ganong Bros., St. Stephen, N.B.

The greatest uncertainties are tariff and taxation. If Canada increases her exports of agricultural and natural products we must import more manufactured goods. If business wishes to build and equip to increase output, it cannot, under present taxation, save capital for large expansion and it cannot obtain new capital because the return is too small.

The government cannot make a definite policy on tariff but it could do something on the policy of taxation. Business will have to have confidence in the country and fair treatment by the government to proceed with development not only to give employment but for each one to obtain his fair share of business.

* * *

Paul Kellogg

Stevenson, Kellogg Ltd., Montreal.

One important step which the government should take to help business in postwar planning is to release the James Report now in its hands. Representatives of many companies and industries contributed to the preparation of this report and industry should not be left in the dark on the committee's suggestions. Postwar planning of companies and industries depends to such a large extent upon basic governmental policies that there should be the greatest possible mutual understanding and co-operative planning—otherwise industry will be unable to plan intelligently.

Sharman K. Learie

Manager, Niagara Industrial Relations Institute, St. Catharines.

Canada now needs postwar planning done at the grass-roots level.

The government should promote the distribution to, and use by all enterprises, of planning manuals of the type developed by the Committee for Economic Development in the U. S. In this way, planning on the broadest possible base would be started.

To give this action practical encouragement the government should announce:

1. The basis on which its production facilities will be available for conversion to peacetime production;
2. The practical variations that will be made in the present termination provisions of war contracts if sudden and wholesale unemployment is to be avoided;
3. Our postwar tariff policy, with whatever exactness the times will allow; and
4. The cost of planning, within defined limits, to be a proper element of costs for tax purposes.

The valuable data obtained through wartime controls, together with the results of nation-wide consumer surveys, should be distributed.

With this assistance, the enterprise that brought Canada to its position of fourth largest Allied war producer, may confidently tackle the most important postwar problem of full employment.

* * *

Leander Manley

Manager J. J. Gibbons Ltd., Vancouver.

The government should:

Clarify its labor policy and assure future security for management and labor;

Anticipate and lay plans for the development of postwar world markets;

Plan such equitable taxation that will encourage rather than discourage industry;

Enlarge and co-ordinate research facilities relating to chief industries so that all natural resources may be fully utilized;

Encourage scientific suburban and municipal town planning in anticipation of decentralization of massed populations;

Undertake a Dominion-wide campaign to develop objective national consciousness;

Maintain closer contact with basic resources and producer industries; and,

Eliminate bureaucratic controls and restore democratic liberties.

* * *

Hugh Mackenzie

Vice-president and general manager, John Labatt Ltd., London, Ont.

Before business can play its full part, the general rules of the game must be laid down by the government covering:

1. Attitude toward free enterprise and nationalization of industry.
2. Proposed social legislation.
3. Basic principles for revision of tax structure.
4. Attitude toward interprovincial and international trade.
5. Proposed legislation affecting labor management relations.
6. Demobilization plans.
7. Termination of war contracts.
8. Disposal of surplus war stocks.
9. Fate of government financed plants.
10. Extent of Canadian participation in United Nations rehabilitation plans.
11. Policy on wartime controls during postwar adjustment period. For instance, will NSS continue to handle employment during the reconversion period?

* * *

Ryland H. New

President, National Sewer Pipe Ltd., Toronto.

Curtail government interference with private enterprise; expand foreign trade by finding new markets for the products of our farms and factories, if necessary extend credits to accomplish this.

Provide for greater reforestation and the construction of necessary public works, and financially assist provinces and municipalities to enable them to undertake such work that will improve the health and living conditions of the community.

Encourage every Canadian to work for a living and to expect and receive a fair remuneration for his labors, thus removing the too prevalent idea that the country should provide for everyone from the cradle to the grave.

* * *

Ray Sperber

President, Association of Canadian Advertisers and vice-president and sales manager, Sterling Products Ltd., Windsor.

In the opinion of the Association of Canadian Advertisers, advertising is a tool in the right hand of business. It is the duty of advertising to work within the framework of business first of all for management and then for government. Advertising managers, we believe, do not feel competent to suggest what steps should be taken by the government because advertising is simply the use of the written and spoken word employed to achieve the desired action under given circumstances. Used successfully under normal conditions of peace, the purpose of advertising is to sell goods. Advertising has been used in times of great national crisis to help create public opinion. The prime function of advertising, therefore, is to serve in whatever situation it finds itself but not to make pronouncements on matters of high policy.

F. H. Waldruff

President, Kiwanis Club of Toronto.

The government should remove excess profit tax and also should return the refundable 20% collected immediately or arrange with banks to make such advances to industries that require assistance. The income tax should be reduced. All priorities should be removed and all unnecessary government control of industry eliminated. The government should sponsor a democratic educational program for rank and file in all industries.

* * *

William R. Yendall

President, Richards-Wilcox Ltd., London, Ont.

Four uncertainties cause hesitation in contracts, inventories, tariff and taxation. Definite and necessary planning will go forward confidently if Ottawa will say:

1. On cancelled government contracts 80% or more will be paid promptly on claims and efforts made toward early final settlement.
2. Similar action on inventories of war materials and release of stocks required for current consumption.
3. No change in the present tariff structure by treaty or order-in-council, but only by parliamentary action after full national discussion with intent to protect existing efficient industries; better still, no action on tariff for three years after the war to see how international affairs develop.
4. That taxation will be reduced effectively and promptly.

* * *

Walter P. Zeller

Chairman and president, Zellers Ltd., Montreal.

There are many specific steps the government could take now to help business make definite postwar plans. Among the two most important are:

First, the announcement of a postwar tax policy calculated to encourage investment in the expansion of old and the development of new enterprise and

Second, the completion by the government of plans for such useful postwar public works as may be desirable to take up the slack in employment during the transition from war to peace.

GOVERNMENT NOTICE

NATIONAL WAR LABOUR BOARD

General Order

The Dominion Bureau of Statistics has found that the cost of living index number for October 1, 1943, of 119.3 (adjusted index 118.4) has risen by 1.4 points over the index for July 2, 1942, of 117.9 (adjusted index 117.0).

Accordingly, pursuant to the provisions of Section 34 (1) of the Wartime Wages Control Order, P.C. 5963, and subject to the provisions of the Order, the National War Labour Board orders that:

1. **Except as otherwise provided in sections 2, 3 and 5 of this General Order, every employer shall, effective from the first payroll period beginning on or after November 15, 1943, increase:**
   - **(a) the amount of cost of living bonus payable to adult male employees and to other employees employed at weekly wage rates of $25.00 or more by the amount of thirty-five (35c) cents per week;**
   - **(b) the amount of cost of living bonus payable to male employees under 21 years of age employed at weekly wage rates of less than $25.00, and to female employees employed at weekly wage rates of less than $25.00 by 1.4% of their weekly wage rates.**
2. **No employer shall, by reason of this General Order, increase the amount or percentage of any cost of living bonus payable to employees where such amount is more than $4.25 per week but less than $4.60 per week, or if such percentage is more than 17% but less than 18.4% of weekly wage rates, to an amount in excess of $4.60 per week or a percentage in excess of 18.4% of weekly wage rates.**
3. **If payment of cost of living bonus was commenced, not pursuant to Order-in-Council P.C. 8253 and established prior to the effective date of that Order, and is in excess of the amount of $4.60 per week or 18.4% of weekly wage rates, such amount or percentage of cost of living bonus shall remain unchanged.**
4. **The adjustment or payment of a cost of living bonus calculated as ordered shall be to the nearest cent of any fractional figure.**
5. **Nothing in this General Order shall affect the operation of the Direction of the National War Labour Board dated June 14, 1943, applicable to employers in the construction industry.**

C. P. McTAGUE,
Chairman,
National War Labour Board.

DATED AT OTTAWA, NOVEMBER 3, 1943

B 1

Contracts for October Arrest Building Drop

October's construction contract awards indicate a later than usual seasonal decline, taking together all types of undertakings. Compilations by MacLean Building Reports Ltd. show a total value of awards for the month across Canada at $19.2 millions, as against $18.5 millions for the preceding month; last year the October figure was $21.4 millions against $29.6 millions for September.

A marked come-back has been staged this year by institutional construction — hospitals, schools, churches—a feature being expansion of military hospitalization by the Department of Pensions and National Health.

Residential and engineering categories are holding up strongly, but decline continues in factory and cantonment construction and continued curtailment of commercial building is clearly evident.

NEW BUSINESS BOOKED BY CONSTRUCTION INDUSTRY

26,566 +16.1

	October			10 Months		
	1943 $000	1942 $000	Change %	1943 $000	1942 $000	Change %
All	19,238	21,412	—10.1	179,968	249,899	—27.9
Residential	7,850	7,110	+10.4	69,008	67,888	+1.7
Industrial	2,464	4,022	—38.7	28,117	68,874	—59.2
Engineering	3,290	1,838	+78.9	*30,855		
Public Bldgs.	2,109	4,381	—51.9	28,286	58,155	—51.4
Commercial	2,196	3,238	—32.4	15,075	20,336	—25.9
Institutional	1,326	821	+61.5	8,625	8,070	+6.8

*Actually a decline from 1942 is shown when adjustment is made for non-start of the Ottawa River hydro-electric development's $10 millions first stage included in this compilation as prepared from MacLean Building Reports Ltd.

Ten-month total of $179.9 millions for all types of construction is $69.9 millions or 27.9 less than the 1942 ten-month figure of $249.9. This year's building volume will not be much above that of 1939, when a ten-month total of $165 millions was recorded. Comparable figure for 1941, the peak war year, was $351.9 millions.

Wartime Housing Helped

Residential construction for October, 1943, totalled $7.8 millions, against $7.1 millions in October, 1942; a large part of the $.7 millions increase is attributed to sustained contra-seasonal building in the western provinces, and awards by Wartime Housing Ltd. at Esquimalt and Victoria, B.C., are mentioned in this connection.

Engineering construction for October, 1943, totalled $3.3 millions or a gain of about 79% over the October, 1942, total of $1.8 millions, although a small seasonal recession was shown in comparison with September, 1943. For 10 months, 1943, the engineering total is $30.9 millions or about 16% higher than the $26.6 millions recorded in the equivalent period of 1942.

This ten-month figure, however, will require adjustment because plans for the proposed $40 millions Ottawa River development of Ontario Hydro Electric Power Commission were not implemented. When, in February, preliminaries such as test boring were started on the site, an item of $10 millions to represent the first major stage was, The Financial Post is informed, included in the compilation. Up to the end of October, however, no substantial excavation or concrete pouring operations had been launched on this project.

Substantial individual jobs were numerous in October, 1943, taking together all classes of construction. Ontario and Quebec respectively ordered highway sanding and road work at over a half million dollars each while the Dominion Government continued to let contracts for camp, road and airport work, although on a scale greatly reduced from last year.

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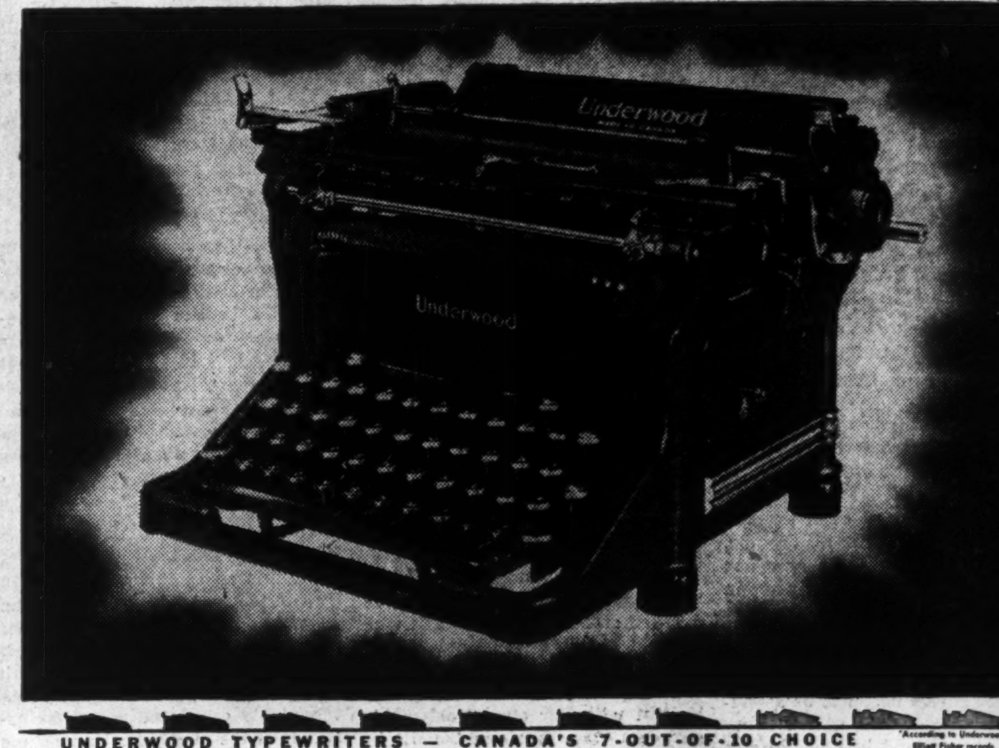

UNDERWOOD TYPEWRITERS — CANADA'S 7-OUT-OF-10 CHOICE
*According to Underwood Elliott Fisher records

Investment Notes

Electrolux Corp. reports net profit for the three months ended Sept. 30, of $50,252 after all charges, including Federal Income Tax, was equivalent to four cents a share. This compares with a net profit of $3,366 for the like 1942 period.

Net profit for the nine months ended Sept. 30 last, after all charges and Federal Income Tax, amounted to $133,474. This contrasts with a net profit of $254,049 for the corresponding 1942 period. Share earnings were 11 and 21 cents, respectively.

* * *

Dominion Coal Co. has declared a dividend on its preferred stock of $1.88 a share, payable from surplus account on Jan. 2 next to holders of record Dec. 10.

This is the first payment since the 38 cents dividend for the quarter ended June 30, 1941, which was paid on July 2 that year. The current declaration brings payments up to Sept. 30, 1942, and halves what would have been the arrearage to Dec. 31 this year, of $3.75 a share. Following the payment, accordingly, the stock will be in arrears of dividends to an amount of $1.87 a share.

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We Have Been Asked . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

VESTMENTS

Quebec Pulp

ould you please let me have eport on Quebec Pulp & Paper p?

ecent reports have it that definaction will be taken shortly straighten out the affairs of bec Pulp & Paper Corp. This pany was declared bankrupt on on of the provincial govern t in Oct., 1942. At the time the ister of Lands and Forests d that the preferred shareholdwould be "looked after."

ebec Pulp has a claim against Aluminum Co. of Canada for ding damages and also against e Bros. & Co. for certain water rsion. These claims are in pro of being straightened out. nwhile the company has a nd wood pulp mill at Chicou , together with valuable free d timber limits, developed and eveloped water power sites. Government has been attempt to get new interests to put the l back into operation. There e been overtures along these s but to date arrangements have been completed.

Melchers

Will you kindly give me some rticulars about Melchers pre rred and common stocks?

Last year Melchers Distilleries orted net earnings of $407,295, as inst $238,875 the year before. t profits were equivalent to $1.04 share on the preferred stock, mpared with 69c. a share for 1. After provision for preferred idends, the company showed 29c. share available on the common against a deficit of 41c. a share previous year.

Financially the company recorded a further improvement in its position last year, net working capital totalling $830,334; the highest in many years and about $200,000 greater than at the end of 1939. Since Nov. 1 last the manufacture of alcohol for beverage purposes has been prohibited. However, the company is producing alcohol for war purposes. The conversion from wartime to peacetime operations is not serious for this company, as most of its output is in the form of gin which does not require aging as in the case of alcohols used for rye or Scotch.

Hinde & Dauch

Would you let me have a report on the position of Hinde & Dauch Co. of Canada Ltd.

Mill production of Hinde & Dauch Paper Co. of Canada reached a new peak in 1942 while box factory output maintained substantially the high levels reached in 1941. Net profit declined slightly, with share earnings amounting to $1.66 as against $1.67 in 1941.

Since the outbreak of war the volume of business available to the company has expanded sharply and this is reflected in working capital position which at the end of 1942, totalled $1.9 millions. Prospects are that the report for the current year will be satisfactory, but the outlook for 1944 is obscure because of the possibility of material shortages.

Can. Wirebound

Please give me a report on the stock of Canadian Wirebound Boxes.

Canadian Wirebound Boxes reported a moderate drop in earnings in the year ended April 30 last. Net profits, after the deduction of refundable portion of the excess profits tax, totalling $88,336 as against $139,547 the year before.

This is the lowest figure reported in several years and is attributable to the slow up in production due to plant rehabilitation. This work has since been completed and directors express the view the company should be able to handle efficiently the increased volume of business arising out of the war.

Financially the position of the company has shown relatively little improvement in recent years. The company is taking steps to reduce the arrears of dividends on the class A stock and at July 1 last these arrears totalled $1.25 a share.

Assoc. Breweries

I have been thinking of purchasing one or two stocks and in this connection would like to have your comments on the position of Associated Breweries of Canada.

Through subsidiaries, Associated Breweries of Canada operates in Saskatchewan, Alberta, British Columbia, Montana and Washington. Net operating profit has shown a consistent increase for the last seven years, but the gain in this respect has been largely offset by larger taxes.

Earnings on the common stock averaged nearly $2 a share annually since 1936. In view of its improved earning power, the company has redeemed all its outstanding preferred stock. The only security outstanding is the common of which there are issued 238,000 shares. Working capital of the company has shown a consistent increase to $1.7 millions at the end of 1942 or more than double that reported in 1936.

Laura Secord

I would appreciate some information on Laura Secord Candy Co., with particular reference to financial setup, how wartime conditions may have affected earnings and postwar prospects of the company.

Laura Secord Candy Co.'s capital consists only of 287,500 shares of common stock at a par value of $3

Since the outbreak of war there has been a substantial rise in the volume of sales handled by the company; an increase which has been paralleled by the net operating profits. Net profit after taxes, each on the other hand, has shown a tendency to decline, earnings in the year ended Sept. 30, 1942, amounting to 83c. a share, as against 85c. in 1941 and $1 a share in 1939.

The company has been able to maintain a strong financial position, working capital at the end of Sept., 1942, totalling just under $1.9 millions. This is the largest figure reported by the company since the outbreak of war.

Prospects for the company for the duration are somewhat difficult to appraise because of the shortage of manpower and supplies. However, there has been some easing in the supply of materials, notably in sugar and cocoa. With fruit and nuts real problems, sustaining volume has been difficult, however. As regards postwar prospects there is no apparent reason why the company should not be able to re-establish its normal trend, with profits following the general course of business.

Page Hersey

Will you please let me have some material on Page-Hersey Tubes; capitalization, financial position, earnings and some data on postwar prospects.

Page-Hersey Tubes Ltd. has a capitalization consisting of 174,276 shares of common stock. Over a period of many years the company has developed a strong trade position with a consistently good record of earnings. Financially its position is strong, net working capital at the close of last year totalling $8.1 millions, or $1.7 millions greater than at the close of 1939.

Since the outbreak of war operations have been on a capacity scale and should continue on this basis for the duration. At this stage it is a little difficult to appraise after war prospects for the company, but the executive expresses the hope that it will be able to resume export trade, at least on a limited scale before the war ends. If this is done, it will greatly help the company in its postwar rehabilitation by retention of market formerly served by it during a long period of years.

The company's plants have been extended and improved during the war and further plans have been mentioned.

INCOME TAX

Investors' Syndicate

A client of mine has a retirement plan with the Investors' Syndicate of Canada and wants to know if the monthly payments made by the company are subject to income tax.

It is understood the interest portion of the payments made under this plan are subject to income tax, the principal portion being tax free. Your client had better take up the matter with the company to ascertain what part of the monthly payments are interest and what part capital.

Merchandise Thefts

Assume that a retail store suffers a robbery loss of merchandise.

1. May this be charged against the profits for the period or would it be considered a capital loss and hence not deductible from profits?

2. If the store were or were not insured, would this have any effect as to the proper method of recording the loss on the financial statements

1. This merchandise would be taken on when purchased at cost price in the merchant's profit and loss account. At the end of the year, he would treat it as an inventory loss which in turn would reduce his profit for the year.

2. If the merchandise is insured, the money paid by the insurance company as indemnity would have to be taken into account as income.

Over 70 Years of Age

My father is over 70 years of age. Is he exempt from the savings portion of the income tax?

Yes. Persons over 65 are exempt from the savings portion of the tax, provided their total income is less than $5,000.

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

Rationed Foods. WPTB Order No. 330, Oct. 23, amends Order No. 308 to allow the use of rationed commodities by a person as a gift or loan to, or for an exchange with, another person, but a person may not sell his rations. Donald Gordon, Chairman.

* * *

Maximum Prices of Beets, Cabbage, Carrots, Parsnips and Turnips. WPTB Order No. A-955, Oct. 28, establishes maximum prices for the above mentioned vegetables and rutabagas, and fixes zones for the purpose of setting these prices. Provides for prices for shippers, wholesalers and retailers, and sets rules for the handling of records. Administrator of Fresh Fruit & Vegetables, E. J. Chambers.

* * *

Paper Napkins, Tray Covers, Sputum Paper and Paper Towels. WPTB Order No. A-951, Oct. 29, replaces Order No. A-64 which was revoked by Order No. A-949. The order sets up specifications for the manufacture and packaging of the above products. Administrator of Packages & Converted Paper Products, C. V. Hodder.

* * *

Toilet Paper Rolls. WPTB Order No. A-953, Oct. 29, replaces provisions in Order No. A-64, which was revoked by Order A-949, which deal with toilet paper rolls. The order sets up specifications for the manufacture and packaging of this product. Administrator of Packages & Converted Paper Products, C. V. Hodder.

* * *

School Supplies. WPTB Order No. A-952, Oct. 29, replaces provisions of revoked Order No. A-64 dealing with school supplies, and sets up specifications for the manufacture of scribblers, loose-leaf binders and refills, examination pads, etc., together with schedules. Administrator of Packages & Converted Paper Products, C. V. Hodder.

* * *

Stenographers Note Books and Writing Tablets. WPTB Order No. A-950, Oct. 29, replaces Order No. A164 in so far as it deals with the above products, and sets up specifications for their manufacture. Administrator of Packages & Converted Paper Products, C. V. Hodder.

* * *

Maximum Prices of Certain Fancy Meats and Meat Products, (Chopped Suet). WPTB Order No. A-959, Nov. 1, amends Order No. A-849 by adding, setting up a price schedule for, and defining, chopped suet. Administrator of Meat & Meat Products, F. S. Grisdale

New Filtration Plant Studied at Edmonton

From Our Own Correspondent

EDMONTON—Braving the uncertainties of labor and material shortages, City Council is considering how it may finance construction next year of a new water treatment plant costing $941,765.

The proposed new plant, with a capacity of 15 million gallons per day could be completed by 1945, a recent report by Power Superintendent R. G. Watson stated.

War Orders Postwar Problem

Committee for Economic Development Outlines Proposals

At the present time there are in the United States 100,000 prime war contracts and several times as many sub-contracts. The aggregate total is between $60 and $75 billions; the inventories held against these contracts between $10 and $15 billions.

At the close of the last war there were approximately 32,000 war contracts outstanding in the U. S. aggregating $5 billions. A year after the war ended more than 7,000 contracts were still unsettled. Average time taken to settle a claim taken to court was 3½ years.

With thousands of prime contracts and sub-contracts outstanding in Canada, like the U. S. this country has a vital interest in efficient and prompt measures for final settlement as contracts terminate. Allowing for the differences in court setup and government machinery, the plan outlined here might apply to Canadian conditions.

To avoid a repetition of last war's delay when the time comes to settle up contracts outstanding at the end of this war, the research committee of the Committee for Economic Development, Washington, has some recommendations. In its pamphlet, "Postwar Employment and the Settlement of Terminated War Contracts," the committee suggests:

A Contract Settlement Board to be:

Created by Congress, and given broad powers to establish uniform and simplified policies for guiding war agencies in settling terminated contracts.

Composed of representatives of the several contracting war agencies, with an independent chairman appointed by the President.

Required to make quarterly reports to Congress on its progress.

Authorized to develop uniform and explicit manuals of procedure and prepare and issue a uniform contract settlement formula, the latter to serve merely as an alternative method of settlement available to contractors unable to reach a satisfactory agreement by negotiation.

Vested with proper legislative power, such a Board might grant authority to contracting officers to make partial payments in advance of verification of claims; instruct contracting officers to make payments for the undisputed portion of claims in the event of disputes carried to a higher authority; simplify audit procedure to permit one agency to audit all claims of an individual contractor on behalf of all the war agencies concerned.

Delegation of Authority

Within the framework of policies and procedures established by the Contract Settlement Board, contracting agencies should be given power to make final settlements. Such settlements should not be subject to review by the Office of the Comptroller-General, except in case of suspected fraud, to avoid delay through a complicated system of audit.

Expand Legal Machinery

As existing legal machinery in the U. S. is said to be inadequate to expedite the disputes which may be anticipated after the war, it is suggested that the present Court of Claims be decentralized by Congress and branch courts of claims created in various parts of the country. Alternatively, facilities of Federal District Courts could be expanded to permit disputed claims to be carried to them directly.

Mandatory loans from the Government in amounts equal to a substantial proportion of proper settlement claims are recommended to be granted every contractor and subcontractor. This right should not be subject to verification of claims and should be based merely upon a certification of such claims by each individual contractor or sub-contractor.

The mandatory loans should not be confused with the advance and partial payments suggested previously. They will merely provide definite assurance of a speedy release of working funds, particularly for small business firms.

It may be desirable, the committee suggests, to limit mandatory loans to the aggregate of out-of-pocket expenses incurred directly in connection with war contracts or sub-contracts, and for which no previous payments have been made.

Additional permissive loans to cover non-cash items, such as depreciation and obsolescence might be authorized.

Each applicant should be able to set forth the aggregate of all his claims in connection with terminated contracts, regardless of the number of separate contracts he may hold and whether or not they involve more than one contracting agency.

Excess to Be Repaid

The proposed loans should be liquidated by the immediate application of all payments received in actual settlement of contracts until repaid in full. The recipient should be required to return any excess of the amount of final payment with penalty interest to the Government. Otherwise the loans would not bear interest. They should have some reasonable maturity date, if not liquidated sooner.

The Committee for Economic Development, which sponsors these recommendations, is an independent, non-political corporation organized by American businessmen to assist business to move into normal operation after the war. The chairman of its Research Committee is Ralph Flanders, president, Jones & Lamson Machine Co., Springfield, Vermont.

FORMS AGENCY

Alford R. Poyntz, who heads a new advertising agency, Alford R. Poyntz & Co., Toronto. Associated with Mr. Poyntz is Claude Nash and George Burkett.

Aluminum Co. Has Big Loss

Net Loss on $33.9 Millions of Canadian Sales Over 2½-year Period

From Our Own Correspondent

MONTREAL.—From the beginning of 1941 to the end of the first half of 1943, Aluminum Co. of Canada had a net loss of $1.4 million on sales to Canadian customers, according to evidence given by Frank H. Brown, financial adviser of the Department of Munitions and Supply before a House of Commons subcommittee on war expenditures.

For the 2½ year period ending with June, 1943, according to a summary of Mr. Brown's evidence released by the committee, payments to the company from the Canadian treasury were less than $1 million. Sheets, rods, tubings, castings and forgings bought by the Canadian Government and industry together had a total value of $33.9 millions.

These purchases were made on the basis of the company's list of prices for fabricated goods, on the understanding they would not be higher than those for similar goods in the United States, Mr. Brown said.

On sales to Canadian customers, he testified, there was a net profit in 1941, a net loss in 1942 and a net loss in the six months of 1943.

The total of $33.9 millions in Canadian money paid to the company included purchase of aluminum by Canadian manufacturers for use in airplanes built for Britain and the United States.

Percentage Profit Off

The company and its subsidiaries in 1942 showed a net profit, in terms of percentages to sales, of 8.6% and 4.2% in the first half of 1943 after provision for income taxes.

Aluminum pig ingot costs in cents per pound produced and before taxes were set at 17.26 in 1942 and 19.17 in the first half of this year, said Mr. Brown.

Contracts with the British Government, he stated, were for purchases at a base price of 17.5 cents a pound in 1942 and 16 cents this year, with escalator additions to cover increased expenses due to war-increased production costs. These escalator additions amounted to 3.51 cents in 1942 and 5.75 cents in 1943.

On this basis the profit on United Kingdom contracts, after taxes, was 2.75 cents a pound in 1942 and 1.96 cents a pound in the first half of 1943.

These costs did not include any charges for selling expenses, market development or advertising, as the company was spending no money on these items, but, had they been included, ordinarily expenditures of from 5 to 15% would be necessary, Mr. Brown said.

A. T. O'Leary Director Nova Scotia Trust Co.

A. T. O'Leary, of Halifax, has been elected a director of the Nova Scotia Trust Co., replacing the late J. A. Young.

Montreal Stock Exchange and Montreal Curb Market showed a net increase in value of stocks listed or traded of $24 millions during September and was up $1,446 millions over last year.

Compilation made by the Exchange showing the value as at Sept. 30, 1943, was $4,994 millions. This compares with $4,970 millions on Aug. 31, 1943, and $3,548 millions on Sept. 30, 1942.

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THE WASHINGTON LETTER

Wheat Price Ceilings Hit the Millers; Coal Supply Outlook Continues Bleak

By LAWRENCE SULLIVAN

WASHINGTON—A curious situation has developed in wheat prices following announcement of the first wheat ceiling—$1.66 a bushel Chicago for No. 1 soft winter. The ceiling price includes the usual broker's commission, and is effective Nov. 10. Other grades are priced at usual trade differentials from No. 1.

This first wheat ceiling applies in only 34 States east of the Rocky Mountains, which leaves the entire Pacific slope free of ceilings on competitive grades of wheat. Pacific slope wheat still is selling under "parity" while the eastern market area is suffering a difficult pinch on some preferred milling grades.

The first result will be to throw the entire national milling demand for a time on the five Pacific wheat states, until prices in that area (plus freight) are forced up to the eastern ceiling. During this interval, several million bushels of Pacific wheat will be cross-hauled anywhere from a thousand to two thousand miles to mills, at sub-ceiling prices, while ceilinged grain now stored within two hundred or three hundred miles of the central and eastern mills must await its turn in the trade at price equality with Pacific offerings.

Big Deficit in Flour

●The grain trade calculates that the new ceiling on wheat is roughly 15 cents a bushel above the wholesale flour ceiling fixed months ago. This represents a potential cash deficit of about 70 cents a barrel to the miller, a price pinch which already has virtually paralyzed the flour trade.

Meanwhile, the shortage of certain preferred milling grades is becoming so acute that lend-lease purchasing officers have given thought recently to Canadian flour purchases for all overseas requirements.

Argentina shipped 338,000 bushels of wheat to Gulf ports this week, to be distributed on government account for emergency animal feeds in the southeastern quadrant.

Coal Outlook Bleak

●A special coal-outlook report this week from the United Nations' Combined Production and Resources Board, offers little encouragement on fuel prospects for either 1943 or 1944. The report was submitted by Howard A. Gray, Deputy Administrator for Solid Fuels, under Interior Secretary Harold L. Ickes, and Sir Henry Self, Deputy in the U. S. for Captain Oliver Lyttleton.

U. S. coal mines have lost 70,000 men to the military services and to other war industries during the last two years, but have taken on substitutes to the extent of only 35,000 older workers, whose daily production is considerably below the normal per capita average.

Great Britain has lost 50,000 men from her collieries in the same period, but recently most of these have been returned to the pits by direction of the Ministry of Labor. However, a critical shortage of manpower still restricts British production, while new demands from the Mediterranean area mount steadily from week to week.

"Supply is almost certain to be far less satisfactory a year from now," the Combined Board's report concludes. "Greater economy of use is indispensable . . . Canada finds more than a third of her needs within her own borders."

The U. S. bituminous consumption for 1943 is estimated at a little more than 600-million tons, against a prospective production (after allowances for all strike losses to date) of 565-million tons. This means that the U. S. stockpile at January 1 will stand at roughly 57 million tons, or about 40 days' current demand—not a too comfortable margin for such a scale of operations.

"Requirements of U.S. coal for 1944 are estimated to be 620-million tons, and if present trends continue output will fall far short of this amount."

More Coal Machinery

●At the urgent insistence of the Combined Production Board, the War Production Board two weeks ago released additional metals for coal mining machinery, for both U. S. and Empire needs. The Board's report this week, however, points out that no part of this new equipment can be available until next spring. Manufacturers of this equipment already are two months behind on priority orders for repair parts and necessary maintenance metals covering mining machinery now laid up for overhaul. Next year, under present schedules, the U. S. will produce approximately one fourth of the machinery requirements for the mechanization program in the British coal industry.

"It will take a full year to provide machinery for the whole program."

U. S. coal exports have expanded from 12-million tons in 1939 to an estimated 30-million tons for 1944.

"The U. S. will supply coal for ships bunkering at Canadian and Newfoundland ports."

Business and Elections

●Business and financial sentiment in the United States has been influenced profoundly by the State election returns, which, in point of immediate interest, have submerged temporarily the week's developments in foreign relations and postwar reconstruction.

Quite apart from partisan considerations, which the business community is more than willing to ignore in favor of the long-term controlling factors of public sentiment, the elections again reaffirm the traditional constitutional moorings of New World Liberalism in the broader aspects of economic and political direction.

Experimental regimentation, apart from necessary wartime controls, has suffered a major setback. "Social Security," for example, has ceased to be the alluring political slogan it once was—although the records will establish clearly that the topic was not once mentioned in the widely separated local canvasses.

For Complete Victory

Neither has the picture changed in respect of the nation's overwhelming support of the staff management of military operations in any theatre of the war. Appraisal of the returns must acknowledge endorsement of the Moscow pledge to complete and unequivocal victory at arms.

In the range of postwar implications 1943 elections are largely without significance one way or another; for the analysis of the vote in terms of group and regional interests discloses clearly an overwhelming preoccupation, first with issues of purely domestic administrative concern, and secondly with vigorous and prudent conduct of the war.

Nowhere, it is safe to say, did the balloting afford even a secondary guide to the future course of American foreign policy.

Experts Talk Town Planning

Study Tomorrow's Cities in School of Architecture Lecture Series

McGill University's school of architecture is conducting a 20-week course of Tuesday lectures on planning for housing, community and regional development. The series, introduced Nov. 2 with a discussion of the general economic background by Dr. F. Cyril James, vice-chancellor of the university, includes the following:

PRIVATE AND GOVERNMENT PLANNING, Jacob Baker, vice-president, Econometric Institute Inc.

GOVERNMENT PLANNING IN CANADA, Dr. Leonard Marsh, secretary of the James Advisory Committee on Reconstruction.

SOCIAL BASIS AND SOCIAL OBJECTIVES OF PLANNING, Dr. C. A. Dawson, McGill Professor of Sociology.

INDUSTRIAL POINT OF VIEW, Paul G. Hoffman, chairman, U. S. Advisory Committee on Economic Development.

TECHNICAL ASPECTS OF PHYSICAL PLANNING, John Bland, McGill Associate Professor of Architecture.

HOUSING, Warren Vinton, chief planning officer, U. S. Public Housing Authority.

NEIGHBORHOOD PLANNING, José Luis Sert, secretary, CIAM.

PLANNING FOR RECREATION AND PUBLIC HEALTH, Dr. A. S. Lamb, director, McGill Department of Physical Education.

PLANNING PUBLIC SERVICES, Aime Cousineau, director, City of Montreal Town Planning dept.

TRAFFIC, TRANSPORTATION AND TERMINAL FACILITIES, D. E. Blair, Montreal Tramways Co. vice-president and general manager.

DESIGN OF ROAD SYSTEMS, R. deL. French, McGill Professor of Highway and Municipal Engineering.

PHYSICAL PLANNING OF REGIONS, John Bland, McGill Associate Professor of Architecture.

PUBLIC AND PRIVATE WORKS FINANCING, Dr. Benjamin H. Higgins, McGill Bronfman Professor of Economics.

LAND POLICY, William MacRossie, president, American Institute of Real Estate Appraisers.

LEGAL QUESTIONS, Honoré Parent, City of Montreal Director of Departments.

POSSIBILITIES OF PLANNING IN QUEBEC, Dr. Everett C. Hughes, University of Chicago Professor of Sociology.

PROVINCIAL PLANNING AS PART OF THE NATIONAL RECONSTRUCTION PROGRAM, J. Gray Turgeon, chairman, House of Commons Committee on Reconstruction.

POSTWAR HARDWARE SALES

A national conference of hardware wholesalers held recently in Montreal sent to Ottawa a recommendation that the Dominion Government's postwar hardware surplus stocks be eased into the consumer market at then prevailing prices and through established hardware trade channels.

Lighter Papers Appraised

Value Thought Problematical Considering Costs

From Our Own Correspondent

MONTREAL. — Conservation of limited pulpwood supplies through reduction of paper weights will be thoroughly explored following recommendation of such a step by the pulp and paper committee of the Combined War Production Board of the United States, Britain and Canada.

Many of the large national magazines in the United States and Canada already have reduced the weight of the paper they are using. So far only one newspaper—the Pittsburgh Press—has deviated from the standard newsprint sheet.

Problem is primarily one for the newsprint manufacturers. At present the standard newsprint sheet weighs 32 lb. to a ream (500 sheets 24 in. by 36 in.) and is composed of 85% to 90% groundwood pulp and the balance sulphite. Groundwood is the cheapest and easiest form of pulp to make. It has body, provides a good printing service and is opaque. Sulphite pulp, on the other hand, is valuable chiefly because of its strength and is used for this purpose in newsprint and, to a much larger extent, in book and other higher grades of paper.

Lighter weight print paper was adopted shortly after the last war. Experience at that time showed the lighter weight was accompanied by a poorer printing surface, more trouble in the press room, increased use of wood and higher costs.

Considerable difference of opinion exists as to its value. Strong objection to a lower newsprint weight is taken by the Newspaper Engineering Department of the International Printing and Assistants' Union of North America.

Their objections briefly are:

All or most of the technical advantages gained in improving printing would be lost.

It will increase the difficulty of reading newspapers because of "show-through."

It will return to the newspaper industry considerable mechanical difficulties.

It will not stand up satisfactorily on high speed presses.

It will increase the waste of paper.

In conclusion the Union says "we are absolutely opposed as a basis of war economy to reducing the weight of newsprint paper."

Add To Costs

From the paper manufacturers' point of view, problem is simply one of whether or not more paper yardage can be secured from the same quantity of wood. Experiments are not conclusive, but preliminary findings would indicate that a reduction in the 32 lb. standard weight of newsprint paper actually would increase the quantity of wood used.

Over the years the operators have reduced the sulphite pulp content of newsprint to secure a better printing paper, lower costs and save on wood. Roughly sulphite pulp requires two cords of wood to one cord of wood for each groundwood pulp ton.

Experiments to date have shown that for a reduction of each pound of weight in newsprint paper there would be an increase of 3% in sulphite pulp content. This is necessary as in making the lighter weight paper, the sheet would be weakened to such an extent that it could not be handled properly on existing machines using the present proportions of groundwood and sulphite pulp. Therefore, in order to provide the necessary strength, the sulphite pulp content would have to be increased.

The making of light weight newsprint paper is not a new venture, even in this war. For some months past Canadian mills have been making a light weight sheet for Britain. In this trade wood saving is of less importance than saving of shipping space, for a greater yardage of paper has been secured to the ton than was the case with the standard sheet.

Another factor entering into the problem of light weight newsprint is cost. There is the larger percentage of the more costly sulphite pulp to be considered. Waste in the machine room is greater. Machines have to be slowed down to permit satisfactory running. In many other ways expenses are incurred in the changeover.

On the paper made for Britain, a premium has had to be charged because of the higher costs; it might amount to 5% to 8% in the case of shipments to the United States.

The whole matter of light weight newsprint is still in the exploratory stage. Preliminary evidence would appear to indicate that the lighter sheet would not be as satisfactory from the point of view of printing; little wood would be saved, probably more would be used; and costs to the publisher would be higher. These findings, of course, do not apply to papers with a high sulphite content. It is expected that considerably more light weight groundwood papers will be used for many magazines and books. Actual and substantial savings of wood can be secured in that particular field of papermaking.

O'Leary Malartic Mines—By agreement optioned to George C. Hevenor, 20,000 shares at 5c. each payable forthwith, and 80,000 shares at 6c. each payable within 60 days. Authorized capital is three million shares with 1,955,255 issued.

Second Inter-State Royalty Corp. reports investments had a book value of $298,069 as at Oct. 31, 1943. Gross revenue from royalty income since acquisition totalled $77,577 to Sept. 30, 1943, and reserve for depletion $21,334 to the same date. During September gross royalty income amounted to $464, bringing cumulative total for the year to date to $7,293.

Distillers Corp.-Seagrams repo that in October it purchased for tirement and cancellation shares of preferred stock, 5% seri thereby reducing the number o standing to 147,282 shares at t close of the month.

Twin "J" Mines—Permission has be granted for sale of 300,000 shares thro any registered broker. Authorized capi is three million shares all of which ha been issued.

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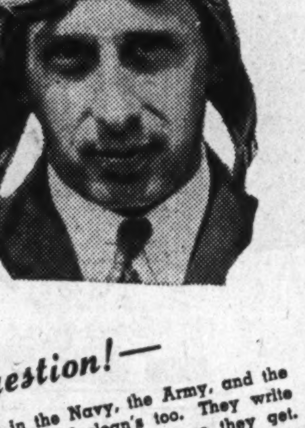
● **Bruce Hutchison**, Canada's ace political writer, adds new fuel to the issue of free enterprise vs. state control — in "Freedom in the Balance," November 15 Maclean's.. Hutchison thinks that so far both sides have missed the main point. He tells us what he thinks the main point to be.

Be sure to read Hutchison's important feature. Get your copy of this issue before all are sold out. Due to paper rationing only a limited number are available.

MAJOR ALEXANDER P. de SEVERSKY ON "PLANES OF TOMORROW"



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ALSO IN THIS ISSUE:

They Feed Britain

This is a close-up of the three men who run what is probably the world's largest food store: Lord Woolton, Britain's Minister of Food; Lord Leathers, British Minister of War Transport; and just plain Mister Robert S. Hudson, who bosses Britain's farmers as Minister of Agriculture.

So You Hab a Cold!

What is medical science doing about the common cold? How much is now known about the way to cure it? — Dr. J. R. La Croix explodes some old myths and reveals the known facts in a frank and helpful article.

Cowboys in "Cow Heaven"

You'll read with relish this vivid account of the fall cattle round-up, the true story of Western cowboys still riding the range, by Alberta-born W. O. Mitchell.

Nineteen Nations at Ottawa

Canada's new status as a rising world power is reflected in the presence at Ottawa of a corps of diplomats representing 19 nations. Maclean's presents them all in one significant feature with characteristic photographic studies by Karsh and word pictures by Kenneth R. Wilson.

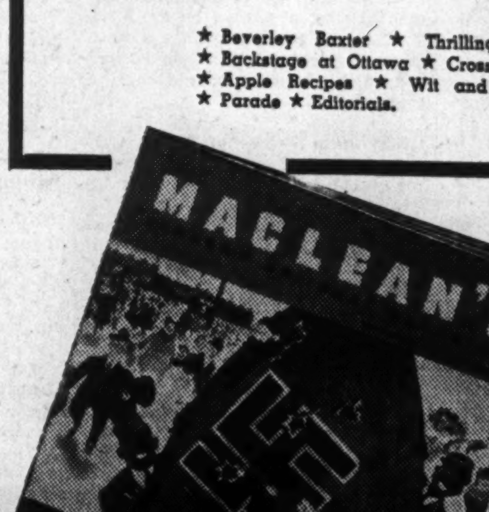
What Sailors Think

Strikes, politics, food wasters, gas wanglers — these are the pet peeves of the men who risk their lives to deliver the goods, as revealed by Lieut. Nicholas Montsarrat, RNVR, author of "East Coast Corvette."

Curious Cases Before the Bar

"It's a damned lie" exploded the judge correcting an interpreter's version of a statement from a Chinese witness. This and a murder trial are among dramatic incidents from the memoirs of I. F. Hellmuth, K.C., famous Canadian counsel.

★ Beverley Baxter ★ Thrilling Fiction
★ Backstage at Ottawa ★ Cross Country
★ Apple Recipes ★ Wit and Wisdom
★ Parade ★ Editorials.



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Investing For Tomorrow Article No. 15

"Asbestos" in the Postwar

Develops 2,000 Uses – Market Still Growing

By JOHN LANGDON

Fundamental problem of the investor in wartime is the selection of an investment which will withstand the shock coincident with the changeover from war to peacetime operations. Under present conditions many companies, especially those in the durable or heavy goods industries, have all the business they can handle. Earnings are running at a high level. Afterwar prospects of these companies, however, are far from encouraging as some time may elapse before they can adjust themselves. On the other hand, there are certain companies which have been able to maintain their position in wartime and whose postwar prospects hold promise for the shareholder.

Well up near the top in this latter group is Asbestos Corp., one of the largest independent producers of asbestos in the world and with operations centring in the Eastern Townships of Quebec.

Its past history might cause the investor to hesitate about placing its stock in his investment portfolio. But when this history is analyzed and the current position fully explored, it will be found that present and future prospects make the past record primarily one of academic interest as to what happens to a merger when it is over-capitalized.

Merge Seven Properties

Back in 1925 Asbestos Corp. came into being as a consolidation of seven operations in the Eastern Townships: Asbestos Corp. of Canada, Federal Asbestos, Consolidated Asbestos, Maple Leaf Asbestos, Thetford-Vimy, Asbestos Mines and Black Lake Asbestos.

Enthusiasm ran high in those days and the newly formed company was saddled with a capitalization comprising over $7 millions of bonds; about $7.5 millions of preferred and 200,000 shares of common stock.

After struggling along with this top-heavy capitalization, the company went through a re-organization in 1932, and a thorough job of "de-watering" was done in an effort to rehabilitate the enterprise.

The bonded debt was cut to $3.1 millions; the preference wiped out and the common stock reduced to 101,779 shares.

With the debt load lightened, Asbestos Corp. took on a new lease of life. Over the next few years operations were re-organized and earnings put on a stabilized basis.

Out of larger earnings and in part from the sale of a small block of common stock to shareholders, the funded debt was eliminated. In 1939 dividends were initiated on the common and the same year the stock was split on a four-for-one basis.

At present Asbestos Corp's capitalization consists only of 600,000 shares of no par value common stock, on which earnings have ranged between $1.25 and $1.55 a share over the past six years, with dividends in proportion.

The balance sheet is now "clean as a whistle." From a very shaky financial enterprise the company has developed into one of the sounder industrial organizations in the Dominion.

In the period from 1936 to 1942, company records show an advance in net working capital from $964,335 to nearly $3.5 millions, a gain of $2.5 millions.

During that time $2.6 millions of debt was paid off.

Investment in property increased $765,573.

Gross improvement in the six years was roughly $5.9 millions against which the company secured $2.3 millions of new capital. This left a net improvement of $3.6 millions or about $6 a share, of which $3.91 was charged to depreciation reserves.

Effects of War

Asbestos Corp. is one of a number of Canadian companies which depend almost entirely upon export markets. Prior to the war it shipped its output in various forms to all parts of the world.

Trading position was seriously affected with outbreak of hostilities. Important markets in France, Belgium, Japan and elsewhere were lost and the company had to write off large sums for uncollectable accounts.

Temporarily its outlook left a great deal to be desired. Asbestos was considered a peacetime product and it was feared operations and earnings would be sharply reduced as long as the war lasted.

This did not prove to be the case. The war developed new uses for asbestos, just as it forced the company to change its methods of doing business. All export shipments, which represent 98% of the company's business, have to be licensed. Collections, which were formerly in Canadian funds, have now to be made in United States dollars, except for goods sold in the British Empire.

Develops New Uses

These changes are more or less common to many businesses. More important is the fact that a product, normally considered of limited value, has been converted so widely to wartime uses. At this time between 85% to 90% of the company's products are going directly and indirectly into the war effort, with the volume of production approximately pre-war level.

All the armed forces—Air, Army and Navy—are today listed as asbestos users.

Battleships, cruisers and destroyers are using asbestos for insulation.

Bombers employ asbestos for packing and gaskets. New camouflage nets incorporate celite, an asbestos product, to secure a flat color.

Asbestos cement pipe is finding favor in airdrome construction. Its light weight means speedy construction.

Special asbestos camouflage shingles have been made for barracks. For brake lining in army trucks or other motor vehicles asbestos is essential.

Asbestos is even being incorporated in such things as switchboard panels in destroyers, wall insulation for troopships, packing for submarines.

On aircraft carriers and on airfields "crash suits" made of asbestos are standard equipment for fire-fighting forces.

So many new wartime uses were found for asbestos that the feared slump in operations never developed. Consequently profits of Asbestos Corp. have held up remarkably well and for 1942 were not far short of the record figure established in 1938.

Though wartime uses of asbestos are interesting, it is the postwar demand which is primarily of interest. What will be the demand for asbestos then? Will Canada and, in particular, Asbestos Corp., be able to withstand competition from other producing countries?

Market Keeps Widening

Because of its value as a resistant to heat, acids and electricity, the uses of asbestos are particularly widespread. There are over 2,000 different uses and new markets are still being opened, as evidenced by what has happened since outbreak of war.

Uses may be divided into five chief categories: textiles and textile products, building materials, heat and sound insulation, molded goods and miscellaneous products.

Largest market in the past was in the manufacture of automotive brake band linings and clutch-facings. The United States has used as much as 70 million linear feet of brake band linings in a single year.

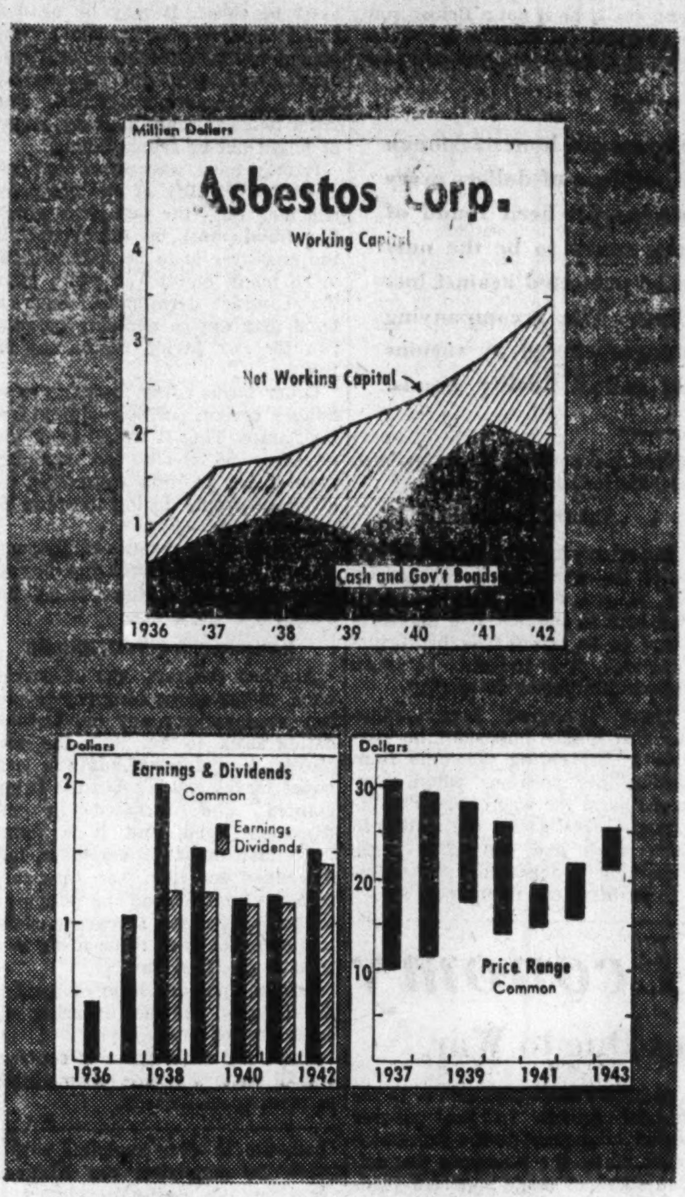
In the textile field asbestos is used for fireproof clothing, gaskets, taps, packing, theatre curtains, blankets, gloves, etc.

Building materials include corrugated and plain sheets, lumber and wallboard made of asbestos and cement as well as linings for stove heaters, and filing cabinets.

Another important use is for heat insulating materials such as 85% magnesia coverings.

Miscellaneous uses include asbestos cloth in glass manufacturing for handling hot glass, asbestos cement pipe, rugs, tapestry and mangles of laundries, to mention only a few.

It does not require much imagination to conceive of a tremendous demand for asbestos after the war.



Consistent improvement in financial position has been recorded by Asbestos Corp., despite pre-war opinion that there would be a limited demand for asbestos in wartime. Net earnings have stood up well and the stock market has taken account of this through a steady rise in the value of the company's shares.

Postwar planning calls for home modernization; new heating units, insulation, sound-proofing. In this field alone huge quantities of asbestos will be required.

Then, too, it is not difficult to visualize the requirements of the automobile industry once it turns from war to peacetime production. Replacements will be unusually high, while the deferred demand accumulating with a whole new group of prospective automobile owners, assures a high volume of production.

In these two fields alone, the deferred demand is developing into such proportions as to ensure a market for all the asbestos that can be produced for a long time after the war ends.

Ready for Postwar

To meet this anticipated demand for asbestos, users can draw upon four main sources; Canada, Soviet Russia, South Africa and the United States.

Canada is by far the most important producer, accounting for over 50% of the world's production, and undoubtedly should maintain that position because of its vast supplies. More important, the value of asbestos is dependent upon the length of its fibre and chrysolite asbestos, because it possesses this characteristic among others, is found in large quantities in this country. Accordingly, the world will look to Canada for the greater part of its asbestos requirements for years to come.

Particularly important to the asbestos industry is the fact that it will not require time or capital to convert operations from a war to a peacetime basis. The moment war ends, the industry is prepared; in fact, it goes right along without any change in operations, while marketing methods will tend to be simplified with the lifting of wartime controls.

Place is Assured

Asbestos Corp.'s place in the postwar market is assured. Because of the improvement in its financial position over the past several years, the company is in an excellent position to take advantage of the anticipated upswing in demand after the war. Further, its position is strengthened by development of new mining methods at Thetford Mines, where the traditional open pit method of extracting the asbestos-bearing rock has been replaced by underground operation on the block caving system. This has resulted in greater extraction of rock of higher quality.

Just before war started the company completed a new crushing plant and dryers at the King Mill which handles the output from the Thetford Mine. Another mill—the Beaver—is operated at the same point, a third at Black Lake and a fourth at Vimy Ridge, Que. A fifth mill set to serve Asbestos Mines is a short fibre property and is not being operated at present.

Capacity operation has been the rule at all these mines, with the exception noted, for many months past. There is no reason for expecting a change in this condition, for any drop in wartime use should be largely counter-balanced by civilian needs; a condition that would certainly develop after the war.

Asbestos Corp. does not fabricate its product, but it does produce a product needed the world over. With the restoration of its peacetime markets, production and profits should continue the upward climb which set in after the re-organization of 1932.

	Funded Debt	Net Working Capital	Cash & Govt. Bonds	Net Profits	Share* Earnings	Price Range High	Price Range Low
1942	$	$3,492,936	$1,807,829	$919,624	$1.53	25¾	21½
1941		2,894,866	2,140,710	746,880	1.24	22	16
1940		2,427,578	1,477,357	724,854	1.21	19½	14⅞
1939		2,109,226	896,461	929,809	1.55	26¼	14
1938	500,000	1,762,454	1,226,742	1,188,756	1.98	28¼	17½
1937	1,000,000	1,628,509	967,347	662,449	1.10	29	11¾
1936▲	2,629,900	964,335	433,299	221,152	0.37	30	2⅞
1935	2,800,879	740,853	162,475	15,415	0.02½	3	1½
1934	3,019,679	651,009	153,498	†142,846	†0.24	2¼	1¼
1933	3,096,079	469,774	219,661	†295,388	†0.49	¼	⅛
1932	3,103,379	345,893	243,446	†711,377	†1.18	⅜	⅛

*Based on number of shares now outstanding: 600,000. †Deficit.
▲On basis of new shares: split 4 for 1 in 1939.

B. C. Timber Interests Hold Price Line to Save Industry

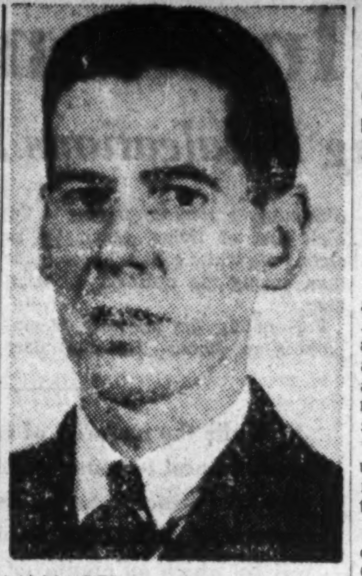
From Our Own Correspondent

VANCOUVER—So far as the domestic market is concerned, the Canadian Timber Control intends to hold the line on prices, and no further increases will be authorized.

West coast lumber operators have been advised by Timber Controller A. H. Williamson that while rigid adherence to price ceilings may cause some anxiety among certain operators, the further inflation of prices and costs "would almost certainly ruin large sections of the industry when normal conditions return, and would also gravely impair the industry's ability to develop and maintain export markets on which its welfare so heavily depends."

Before the war about two thirds of B. C. lumber was exported to the United Kingdom, Australia, South Africa, China, Japan, etc., and the British preference was primarily responsible for ability of shippers to compete in the more distant markets with Russia and Scandinavia.

During the war emphasis has been on supply rather than on price. When competitive conditions return British Columbia will be at a disadvantage if costs of production are seriously out of line with those of other countries, although Russia and Scandinavia will probably be fully occupied for several years in meeting the lumber requirements of continental Europe.



MANAGER

John S. Proctor, who has been appointed manager of the Montreal branch of the Imperial Bank of Canada. He succeeds A. R. B. Hearn, who is retiring.

Aluminum Co. Strike Ended

No Concessions Made, But Men Return on Promise of Enquiry Board

From Our Own Correspondent

MONTREAL—Strike of workers at the Shawinigan Falls plant of Aluminum Co. of Canada ended after a walkout of two weeks duration, when the American Federation of Labor union ordered the men to return to work. No concessions were made by the company which refused to deal with the union, on the grounds that already it had an agreement with the National Catholic Syndicate.

Return of the men was predicated on an assurance by the Quebec Government that a conciliation board would be set up, under supervision of the Regional War Labor Board, to investigate working conditions. This board has been established.

Previous to the settlement notices of separation of employment had been mailed by the company to 504 men who had failed to return to work.

Under selective service regulations any worker who is not working for 8 days can be given 24 hours notice by the employer of termination of contract. A notice to this effect was given by the company to the striking employees and at the end of the period of grace, separation notices were mailed.

Coast Cities Go After Air Trade

From Our Own Correspondent

VANCOUVER—West coast cities are preparing for a postwar advance in commercial flying. Canadian Pacific Airlines is planning to establish a regular seaplane service from Vancouver harbor to Victoria next summer whether the war ends before then or not, and the Automobile Association of British Columbia is going ahead with plans for control of helicopter flights by a public commission.

Several weeks ago it was announced that a subsidiary of Vancouver Island Bus Lines had been incorporated to operate helicopters, and there have been predictions from several sources that before long many private individuals will operate helicopters between their offices in Vancouver and their homes on the Gulf Islands, Howe Sound or up the Fraser valley.

The Canadian Pacific application has met with some objection from the Vancouver city council, which foresees complications if planes as well as shipping are to make use of Burrard Inlet. The city has already financed establishment of a seaplane base on Sea Island, within a few miles of Vancouver, the site of the civic airport and the big Boeing Aircraft plant.

C. E. Thompson, vice-president of the Automobile Association, contends that so far there has been no public authority whose specific job is control of helicopter traffic. He believes there should be such a body in view of the likely widespread use of these machines.

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Fraud Insurance Is Growing

Increasing Defalcations Point Need of Protection

While the majority of employees are honest, enough are dishonest to cause losses of millions of dollars every year to business. As no means has yet been found of preventing dishonesty, insurance seems to be the only way by which an employer can be protected against loss from an employee's defalcations. The accompanying article tells some of the advantages offered by various types of insurance commonly called fidelity bonds.

Increased volume of business due to war is resulting in greater need for fidelity insurance to protect against loss caused by dishonesty of any person in a position of trust. Despite the high level of employment and wages, dishonesty among employees is said to be on the upgrade. Moreover, the large number of new help being taken on by firms, often without adequate investigation as to character, adds to the hazard.

For these reasons a substantial increase in the volume of premiums written on this kind of business is noted and the trend is still going up.

Opportunities Increase

Starting on the assumption the proportion of dishonest employees to the total to be fairly constant, the more people employed the more potential defaulters there are. Then, in addition, there are more opportunities for theft or defalcation than normally. Employers and department managers are busier than usual, business is more active and there is a better chance of some irregularity slipping through unnoticed than in normal times.

Many supervisors are busy with the various forms and regulations required by law under wartime conditions that they haven't time to oversee their staffs properly.

High income tax deductions are said to contribute to the risk. Many young people find themselves short of ready money and accordingly appropriate the money or property of their employer.

Another factor tending to increase dishonesty among employees is the high cost of living, especially so among the white collar classes, more than among the ordinary working man.

Fortunately the majority of employees are honest. But that does not mean the individual employer is safe from fraud. The situation is very much like that in regard to fire. The majority of buildings don't burn. But in both fire and fraud the average business man constantly runs a hazard of loss from either cause unless adequately protected.

Losses to business from fraud and dishonesty are said to be about equal to the fire losses throughout the country. Yet the amount of fraud insurance, carried—fidelity insurance as it is usually known—is only about 5% of the losses sustained.

When a firm wants to insure a new member of its staff, the insurance company investigates personally. In the application form, the individual is asked a number of fairly intimate questions as to place of birth, previous employment, etc. If he is not a British subject further information is wanted. From this point on, the company makes independent investigations, into the individual's history.

Information Filed

Sometimes important information, which the companies then keep on file, is run down. One discovery may lead to another. If a person is found to be an undesirable insurance risk, it is probable he is an undesirable person to employ.

These insurance investigations are also highly important in wartime in preventing saboteurs from getting into positions where they might harm the war effort. The insurance investigators are skilled in their work and can often sense something wrong where the ordinary businessman might not.

There are a number of fraud insurance forms on the market.

The ordinary variety protects against one or more persons who must be listed. It may be against fraud or larceny or it may be extended to cover forgery, theft, embezzlement, wrongful abstraction and wilful misappropriation. The latter two, insurance men say, might or might not be criminal acts.

It may have warranties that restrict the liability of the company and may limit the period in which the fraud must be discovered, if the employer is to be indemnified, to so many months or years after the contract terminates. Such a bond may expire annually or may run for any period up to, say 20 years.

Other forms cover the party who holds a certain position without being named. Thus it would cover the treasurer of a club or company even if the position were held by different people during the term of the contract.

In both these contracts, the employer is reimbursed for frauds committed during the life of the contract.

Protection for Past Frauds

Another contract, the discovery bond, obligates the company to pay the employer for any defalcations dating back to the time the employee was engaged. If the empoyee leaves and a successor is appointed, and included in the discovery bond, and it is found later that the first employee had defrauded his firm, the insurance company makes good the policy up to the limits stated. Discovery of the loss does not have to be made in a certain specified time.

Another popular form of bond is the blanket contract insuring all employees of an employer.

There are other types of contract and all can be more or less modified to meet special needs.

Brazil: A Changing Economy

Local Industries Offset Import Losses Due to War

Brazil may be on the way to becoming a postwar focal point for investment, to judge by the report of L. S. Glass, Canadian Commercial Attache at Rio de Janeiro, recently submitted to the Department of Trade & Commerce, Ottawa.

Notable among the important development projects in course of completion is the Itabira iron mine with its rich deposits of hematite. The Government of Brazil also is keenly interested in manufacture of caustic soda, airplane motors, coal-tar products. Moreover, it is expected increasing consumer purchasing power will create a ready market for luxury and novelty goods after the war.

Presence of refugee capital transferred to Brazil from war-torn Europe is just one of the causes tending to change the economic position of Brazil. One result of the stimulating effect of putting this money to work since 1941 has been revival of the diamond-cutting industry, one-time flourishing trade of Holland and Belgium, whereby some 3,000 cutters are now engaged in their highly skilled occupation.

Brazil, in attempting to offset import restrictions resulting from loss of European markets and sources of supply, has undergone an industrial development and effected changes in her economic condition which will have important postwar effects for Canada.

This is the opinion of L. S. Glass, Canadian Commercial Attache at Rio de Janeiro in a report to the Department of Trade & Commerce.

"With the increasing restrictions on the manufacture and export of civilian consumer goods in Canada, United States and Great Britain, and the scarcity of shipping space," the report says, "import volume decreased from 4.05 million tons in 1941 to 3 million tons in 1942, a reduction of approximately 25%. Value likewise decreased by approximately 20%."

Bigger Budget Deficit

The Brazilian budget which showed a deficit in recent years has shown a still further increase following Brazil's entry into the war and the consequent necessity for increased war appropriations. The estimated deficit at the end of 1942 was 1,371,433,601 cruzeiros. (The average value of the cruzeiro is U. S. $0.507.)

Brazilian government policy over a period of years has been mildly inflationary. An increase (in one year), therefore, of 24% in currency circulation, compared with 1941, may be considered alarming unless it is recalled that during 1942 Brazilian internal industrial activity expanded vastly and the new currency was needed to meet this activity. According to Mr. Glass, "It is estimated that approximately 70% of the increased circulation was necessitated by conditions. Increase in transactions on the Brazilian Stock Exchange, noteworthy since 1931, has continued since then."

A favorable balance of trade amounting to $145.4 millions in 1942 as against $77.8 millions in 1941 supplied sufficient exchange for ordinary purposes and cover has been granted freely for import transactions. There has also been a more generous supply of exchange for interest and dividend remittances.

Gold reserves held by the Bank of Brazil on May 31, 1943, were valued at 3,301 million cruzeiros, or roughly $165 millions.

Industries Expand

Formerly imported goods being no longer available because of production restrictions and export prohibitions in the only countries of supply left open—Great Britain, Canada and the United States—has led to marked development of industrial production in Brazil. She has a highly diversified industrial organization ready to take advantage of the situation, thanks to industrial growth in the pre-war period subsequent to the depression years when the country's depreciated currency made imported goods too expensive for the average producer. Those industries needing a large percentage of imported raw materials have been less favored than those using locally produced ones. The report notes, however, that Brazil has a large actual and potential supply of materials similar to those imported. For instance, shortage of imported jute for manufacture of coffee sacks directed attention to local fibres. A good substitute is now being widely used.

Before the war Brazil was not only a non-exporter, but an importer of considerable quantities of cotton piece goods, yarns, etc., although herself one of the world's greatest producers of raw cotton. Brazil now exports cotton piece goods to practically every country in South America, and also to South Africa.

Itabira Iron Mine

"Several important development projects now in course of completion," the report goes on, "will have a great influence on Brazil's postwar economy. The Itabira iron mine, with its rich deposits of hematite, is being exploited with a view to supplying the National Smelting Co. being developed at Volta Redonda. The Government of Brazil is taking a keen interest in this, and in many smaller but none the less important developments such as manufacture of caustic soda; airplane motors, and tractors; extraction of coal-tar products; certain chemical industries, particularly those associated with the production of explosives, and many others."

"In view of these developments," the report concludes, "the postwar position of Brazil as an importing country will be radically changed. It is expected that the greater proportion of staple products required will be supplied by local industries and demand will be more for industrial machinery, raw materials and semi-manufactured goods for processing locally. On account of the greatly increased purchasing power of the Brazilian public resulting from the heavy industrial expansion, luxury and novelty goods will undoubtedly find a ready sale."

Life Company Investments In War Loans $775 Millions

Investment of $170 millions in the 5th Victory Loan by the life insurance companies in Canada brings total life insurance investments in war loans since the war began to over $775 millions, an average of nearly $200 for every insured person in the Dominion.

In a statement issued at Winnipeg, Harry W. Manning, president of the Canadian Life Insurance Officers Association, stated that the companies' investments in Victory loans expressed the will of the millions of policyholders in Canada. He said,

"In the two Victory Loans this year these companies have invested $335 millions, a sum that will exceed their total premium income from their policyholders during the whole of 1943 by more than 16%."

Mr. Manning also stated that 2,000 experienced life insurance sales personnel, made available to the Government for canvassing, had secured many additional millions of subscriptions. In the spring loan this year, he stated, they were credited with obtaining over $65 millions in subscriptions. In the last loan, he said, the amount will not be less.

Total life insurance investment of $775 millions he declared had a threefold significance:

1. It backs our fighting men with munitions and equipment.
2. Provides a powerful backlog against inflation.
3. Constitutes a great financial reservoir for postwar and future emergencies, held in reserve for protection of policyholders and beneficiaries.

Metropolitan Life Makes Appointments

Appointments by the Metropolitan Life Insurance Co. in its Canadian territory, announced by E. C. McDonald, vice-president in charge of Canadian operations, are as follows:

WILLIAM C. MAGEE, transferred to London district from Barrie, succeeding FULTON W. JENKINS, appointed assistant superintendent of agencies with headquarters in Ottawa.

F. WALTER GODWIN, former Canadian manager of the field training division, to be manager Barrie district.

JOHN E. GORDON, formerly manager Fort William district, transferred to Brantford district succeeding the late JAMES C. MACGREGOR.

DONALD I. McCLELLAN, formerly assistant manager Winnipeg, to be manager Fort William.

HOWARD W. YEARSLEY, former field training supervisor, to be Canadian manager of the field training division, succeeding F. W. GODWIN.

International Power Reduces Arrears by $5

International Power Co. has declared a payment of $5 a share on accounts of arrears on its 7% first preferred stock, in addition to the regular quarterly payment. Both payments will be made on Nov. 30 to shareholders of record Nov. 10.

The current payment will reduce arrears to $20 a share. Last year the company also paid $5 on arrears, but the amount was divided into two payments, $2 on Oct. 1 and $3 on Dec. 30. In 1941 the company paid $1.25 on arrears on Dec. 29.

Porto Rico Power Co., subsidiary of International Power Co., has given notice that all the outstanding 5% refunding mortgage bonds of 1962 will be redeemed on December 10 next at 105 and accrued interest.

At the end of last year the company had outstanding £26,900, or $130,913 in Canadian funds.

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DO YOU BELIEVE IN
Statistics?

The Dominion Bureau of Statistics reports that values of commodities have increased considerably above pre-war level.

Those who are charged with the responsibility of insuring manufacturing and other properties should give due consideration to increased values and see that their insurance is revised accordingly.

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Bankers Study Postwar Plans

Bank Act Revision Looms as CBA Holds 52nd Annual Meeting

By D. G. MACLEAN

Annual meeting of the Canadian Bankers' Association in Montreal this week, fifth since the outbreak of the present war and 52nd since organization finds bankers generally taking stock of the situation; reviewing the past year; planning for the future.

Although four of the chartered banks close their fiscal years Oct. 31, the association meeting is a little early to enable any detailed report of the experience of the banks during the year to be given. Enquiries made by The Financial Post, however, indicate that the gross profits of the banks will be about the same as last year or possibly a little higher.

Taxes will be variable. Owing to adjustments being made in some cases a decline from 1942, may be seen. In other cases it is believed they will be higher. Assets of the banks generally will show an increase with investments forming a larger percentage of the total. The following table shows changes in the total figures of all 10 chartered banks on Sept. 30 compared with the same date a year ago.

	Sept. 30 1943 $000	Sept. 30 1942 $000
Total assets	5,264,021	4,561,275
Current loans	988,762	978,148
Call loans	34,088	26,561
Prov. loans	4,640	4,503
Mun. loans	51,591	67,639
Investments (total)	2,881,221	2,339,890
Deposits:		
Savings	1,988,904	1,748,248
Demand	1,767,708	1,526,786
Dom. Govt.	220,880	94,915
Prov. Govt.	107,779	116,216
Note circulation	46,779	71,296

These figures indicate that investments on Sept. 30 were almost 55% of total assets compared with 51% last year while current loans were about 18% compared with 21% last year. The figures reflect the changes in the employment of bank funds, loans although still ahead of last year having tended to decline in recent months while investments have been increasing.

The bulk of the investments are government issues, a substantial part in short-term deposit certificates bearing a low rate of interest. Revenues from this source have not increased in the same proportion as the total funds invested have. The figures also show how deposits, especially savings deposits, have expanded during the year. Money invested in Victory loans has been returned shortly to savings accounts as the government spent it for labor and materials.

During the year, ration banking came into effect adding a great deal to the work of the banks.

Revision of Bank Act

Among considerations for the postwar era, revision of the bank act is conspicuous. Ordinarily the bank act, under which the chartered banks operate, comes up for revision every 10 years, the last time being in 1934. This would normally bring the next revision in 1944 but under present circumstances, it is felt action may be postponed.

In that case because under the present act, the charters of the banks expire next July 1, special legislation would have to be passed extending them. On two previous occasions, in 1910 and in 1933, the life of the bank act was extended. In some quarters there is a feeling that if the war is still on next year, revision will be postponed and the bank act and the bank charters extended. When revision does come, in 1944 or later, consideration for the postwar period is expected to affect the deliberations.

Study Other Dominions

In any case it is understood bankers are now studying the whole bank legislation position especially in other countries, to ascertain whether there is anything in their legislation that might be helpful to Canada. Some points of similarity and difference in the banking systems of Canada and other British Dominions were recently discussed in The Financial Post.

Plans for handling the men and women from the permanent bank staffs now on leave to the armed services and who will be returning are also among the topics being discussed by bankers.

Holding of the annual meeting in Montreal this year is in keeping with the practice of the association which always has its offices in the city where the president is domiciled. As five of the chartered banks have their executive offices in Toronto and five in Montreal the presidency and the headquarters alternate between the two cities. Charles St. Pierre, general manager of the Banque Canadienne Nationale, was elected president in 1941 and again in 1942. This year the presidency goes to a Toronto man, and the headquarters accordingly will move to that city.

Incorporated in 1900

The Association, organized at first as a voluntary association, was incorporated by act of parliament in 1900. Its declared objects were to watch legislation and court decisions of interest to the banks, to protect the interests of the contributors to the bank redemption fund, to promote efficiency and education of bank officers and generally to guard the interests of the chartered banks. Membership is composed of the 10 chartered banks. Certain of its by-laws, especially those having to do with clearing houses, have to be approved by the Treasury Board at Ottawa.

Bank of Canada Assets Higher

Holdings of Sterling and Investments Up — Circulation Rises

Increases in holdings of sterling, investments and miscellaneous assets brought total assets of the Bank of Canada up almost $100 millions to over $1.3 billions in the week ended Nov. 3. The expansion in investments was mainly in short-term issues.

On the liability side, note circulation reached a new high level at over $840 millions. Deposits of the chartered banks and the Dominion Government with the Bank of Canada were higher.

	Nov. 3 1943 $	Oct. 27 1943 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	840,092,423	834,441,085
Rest fund	6,472,953	6,472,953
Deposits: Dom.	138,733,439	65,648,244
Chartered bks.	316,342,925	302,059,133
Other	12,297,989	18,530,173
Total deposits	467,374,353	386,237,550
All other liabs.	28,980,888	21,769,848
Total liabs.	1,347,920,617	1,253,921,436
Assets		
In Sterl. & U. S.	59,590,066	57,365,066
Subsid. coin	71,731	104,580
Investments:		
Dom. gov. sh.	807,340,502	749,980,519
Oth. Dom. gov.	441,987,548	429,196,991
Total invest.	1,249,328,050	1,179,177,510
Premises	2,097,019	2,096,859
All other assets	36,833,751	15,177,421
Total assets	1,347,920,617	1,253,921,436

B. C. Premier Reports Surplus of $6 Millions

Debt Reduction Record Claimed as $10 Millions Taken Off Net Debt in 10 Years and Province's Financial Standing Improved

From Our Own Correspondent

VANCOUVER — Premier John Hart has announced a surplus that will be well over $6 millions and a reduction of $12.3 millions in the province's gross debt for the fiscal year ended last March 31.

Mr. Hart announced a reduction of $10 millions in the net debt and a reduction of $13.7 millions in the gross debt for the past ten years.

This places British Columbia in the enviable position of being the only province in Canada where a reduction has been shown in the public debt during the past decade, Mr. Hart declares. In addition to being premier, the shrewd, white-haired Irishman who has been a figure in provincial politics for nearly 30 years has made the ministry of finance his specialty for a longer period than any other man in Canadian public life.

Strengthens Position

The gross debt last March 31 amounted to $153.2 millions; the sinking funds at the same time were $17.6 millions, leaving a net debt at March 31, 1943, of $145.6 millions.

"The effect has been threefold," says Mr. Hart. "It has enabled a very substantial saving in annual expenditures; brought about a downward revision of the average rate of interest and at the same time has improved the credit position of the province to a point where British Columbia bonds are comparable to those of any province and very close to those of the Dominion of Canada."

A reduction in interest charges has been made possible by refunds at lower rates and by debt repayments. Whereas a gross debt of $166.9 millions on Nov. 1, 1933, required interest amounting to $7.9 millions annually, at an average rate of 4.7332%, the present debt bears interest at an average rate of 4.04% and requires $6.1 millions, or $1.7 million less.

The market for British Columbia securities is probably best exemplified by the following comparison: During the latter part of 1933 British Columbia 4% securities payable in Canada and New York sold at 83 or at a yield of 5½%. Now they are selling at 117 or at a yield of 2.55%. On the other hand, B. C. 5% securities payable in Canada only sold at 87 or at a yield of 6.12%. Now they sell at 115, or at a 3.33% yield basis.

Current Income Up

Current income during 1942-43 exceeded that of the previous year by a substantial margin and current expenditure, including unemployment relief, was considerably lower. Reduction in expenditure is chiefly due to the decrease of interest payments on public debt as well as the decline in unemployment relief costs.

The last public issue of bonds by the province was during June, 1942, when $15.7 millions of serial refunding bonds were sold with interest coupons ranging from 2% to 3¼%.

Progress Made Converting Buildings To Apartments

Montreal regional office of the National Housing Administration has awarded a contract that indicates business buildings as well as large old houses will be altered into apartments in NHA's Housing Conversion Plan.

Under a $250,000 allocation similar to others made by Ottawa to Quebec City, Saint John, Moncton, Halifax, seven Ontario cities and four in the west, the Montreal contract calls for Dec. 1 start on $30,000 conversion of a St. Clement St. factory to provide 24 apartments. It is the first award in the Montreal program.

Toronto so far has been sticking to houses for alteration. Regional director Raymond Card tells The Financial Post his office has viewed 250 proffered houses, prepared detailed statements on 50 of them and was about ready this week to let contracts for alteration of the first three.

Hamilton, Brantford, St. Catharines, under regional director William Holcombe at Hamilton, also were about ready to order jobs. Sarnia and Windsor programs would follow soon, it was understood, as would others at maritime centres. Vancouver and Victoria had started their programs and Calgary and Edmonton would follow soon.

Ottawa, with a $500,000 allocation, has been the first city to get started on the conversion plan and work there is well advanced.

It is expected the allocations will be increased in some cases with expenditure of present local funds; for example it has been said Toronto's $250,000 allocation soon may be upped $750,000 to an even million.

With overall direction by Finance Department's Housing Director, Frank W. Nicolls, a total of $2.5 millions now is provided for about 500 conversion jobs creating 2,500 apartments in the cities mentioned.

New Books

Inter-American Yearbook

INTER - AMERICAN STATISTICAL YEARBOOK 1942. Published in Canada by The Macmillan Company at $13.75.

In the 1,070 large pages of this volume there are just about all the known facts about the countries of North, Central and South America. Many of the facts here presented the researcher will have a long and hard road to travel if he seeks them elsewhere and wants them presented on a comparable basis.

Some gaps in the information are inevitable because in some countries, some figures simply are not available. But with the co-operation of the League of Nations, the International Labor Office, the Pan American Union, the Pan American Sanitary Bureau and the U. S. Department of Commerce, the editors have produced a reference work that fills a big need. Introduction and headings are in English, French, Portuguese and Spanish.

War and Peace Aims

WAR AND PEACE AIMS OF THE UNITED NATIONS. Published by World Peace Foundation at $2.50 (U.S.) Edited by Louise W. Holborn.

Apart from the Atlantic Charter, and the very recent Moscow Pact, there are hardly any official statements of government policy to indicate what kind of a world the United Nations want for peace.

This fat volume of 700 pages is made up of documents between individual states, speeches and articles by top government officials, and other significant spokesmen during the war period to the end of 1942.

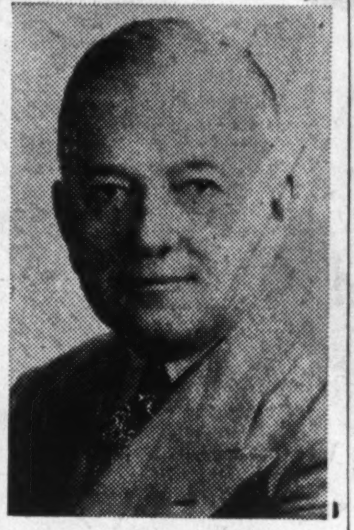
The book would appear to be the best available compendium of what important United Nations figures want for the postwar world.

Framework of Battle

FRAMEWORK OF BATTLE by Lt.-Col. John G. Burr, USA Ret. Published in Canada by Longmans, Green and Co. Price $4.

For the layman and the arm chair strategist, this will be an essential handbook as well as fascinating reading. Here, an expert tells, in ordinary language, the how of planning campaigns, why certain techniques are followed, how they work, how generals plan their day.

He goes back to the time of Hannibal for his examples and relates time-proven military techniques up to the present war.



HEADS SUN TRUST

Joseph Simard, who has been elected president of Sun Trust Co., succeeding the late Arthur Vallee, K.C. Mr. Simard is president of Marine Industries Ltd., Sorel, and other enterprises.

CSL Traffic Volume Holds at High Level

Substantially higher volume of traffic has been handled by Canada Steamship Lines this year to date but activity will not be reflected to any appreciable extent in net earnings of the company because of higher operating costs and income tax provision, The Financial Post understands.

Hotel operations at Murray Bay and Tadoussac were at capacity this year. Passenger traffic has been the best since 1929, while the shipbuilding subsidiary has shown no letup in activity.

Position of Chartered Banks of Canada as of Sept. 30, 1943, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere.	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstandin	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$			$		$	$	$	$	$	$	$	$	$
Montreal	10,035,650	74,686,338	33,269,339	....	444,910,557	▲476,494,374	116,619,114	2,559,884	14,519,396	19,461,242	....	19,560,889	2,421,704	32,739	39,000,000	36,000,000	1,289,571,231
Nova Scotia	4,303,636	18,217,148	1,750,760	....	118,765,369	174,755,189	78,388,912	2,923,850	1,843,078	3,840,768	....	23,652,123	346,526	303,587	24,000,000	12,000,000	465,090,952
Toronto	1,368,614	9,013,665	2,793,874	....	79,605,330	112,219,551	519,362	108,311	1,013,220	790,941	....	2,118,582	....	5,180	12,000,000	6,000,000	227,556,634
Provinciale	1,492,648	2,919,412	261,900	....	21,026,523	58,453,180	24,878	....	....	35,342	....	108,211	7,155	7,059	1,000,000	4,000,000	89,336,312
Commerce	9,670,862	33,174,447	18,152,625	....	360,504,047	387,364,967	85 118,455	1,019,664	8,346,924	7,990,529	....	27,741,310	....	474,285	20,000,000	30,000,000	989,558,121
Royal	13,148,212	47,769,641	22,393,557	....	493,105,675	425,112,372	301,622,325	3,261	4,781,659	16,561,261	....	33,862,514	1,372,401	72,192	20,000,000	35,000,000	1,414,805,075
Dominion	2,062,671	10,789,270	3,421,034	....	82,638,339	97,832,803	8,100,062	2,125,956	797,618	564,551	....	7,079,531	450,197	141,738	7,000000	7,000,000	230,003,776
Nationale	2,257,287	7,028,392	1,462,816	....	65,359,196	141,794,948	605,988	3,880,523	33,906	862,319	....	289,726	53,877	8,539	5,000,000	7,000,000	235,637,521
Imperial	1,929,960	13,169,323	24,267,886	....	95,085,655	108,864,650	336,714	4,085,307	1,152,270	1,512,608	....	3,091,515	....	141,857	8,000,000	7,000,000	268,637,750
Barclay's (Canada)	509,520	4,112,772	4,850	....	6,707,450	6,012,151	4,625,910	392,283	2,920,810	935,507	....	865,129	35,968	....	750,000	1,500,000	29,372,354
Total	46,779,060	220,880,408	107,778,641	....	1,767,708,141	1,988,904,185	595,961,720	17,099,039	35,408,881	52,555,068	....	118,369,530	4,687,828	1,187,176	136,750,000	145,500,000	5,239,569,726

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	%		$	$
Montreal	50,000,000	36,000,000	6	225,041	118,654,608	10,252,390
Nova Scotia	15,000,000	12,000,000	10	1,224,471	36,140,000	4,312,251
Toronto	10,000,000	6,000,000	10	646,464	22,590,038	1,401,159
Provinciale	5,000,000	4,000,000	5	123,325	12,266,783	1,494,833
Commerce	50,000,000	30,000,000	6	574,609	81,053,718	9,879,931
Royal	50,000,000	35,000,000	6	667,297	99,418,353	13,303,683
Dominion	10,000,000	7,000,000	8	586,833	24,587,746	2,082,591
Nationale	10,000,000	7,000,000	6	120,982	21,749,196	2,309,067
Imperial	10,000,000	7,000,000	8	423,899	19,112,375	2,007,775
Barclay's (Canada)	1,500,000	1,500,000	....	1,256	3,209,269	515,820
Total	211,500,000	145,500,000	....	4,594,177	438,782,086	47,559,300

▲Of this amount, $43,698,605 represents deposits in Canada in currencies other than Canadian. †And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities
	$	$	$	$			$	$	$				
Montreal	1,694,854	29,945	25,308,173	78,791,629	342,225	941,390	47,882,611	16	13,166,875	34,331,609	516,508,265	180,585,116	12,626,606
Nova Scotia	515,405	1,094,833	11,031,711	23,486,785	85,345	21,563,102	14,674,416	....	13,834,029	19,570,868	123,082,740	66,911,952	8,394,575
Toronto	384,499	....	5,651,917	18,068,956	21,140	108,978	11,222,012	....	313,124	2,550,252	76,074,741	43,554,842	1,407,622
Provinciale	356,276	....	2,928,467	8,475,493	29,655	40,581	2,817,936	....	27,316	1,048,143	24,390,776	18,242,649	9,244,611
Commerce†	1,327,787	274,031	19,981,502	62,092,531	92,410	4,295,320	39,874,264	....	5,417,102	22,045,954	314,292,289	152,687,662	3,494,121
Royal	1,609,554	1,493,044	30,230,647	68,766,297	334,831	51,518,698	56,072,876	3,814	19,654,792	52,038,525	444,948,862	205,581,703	9,877,311
Dominion	360,973	317	2,974,709	20,050,478	43,355	124,285	6,995,601	....	2,584,555	5,331,084	77,821,294	33,405,849	899,388
Nationale	795,009	....	8,531,533	11,415,929	73,725	95,945	12,893,671	1,451,685	99,141	1,712,778	82,052,185	46,736,076	11,727,680
Imperial	495,333	....	7,267,016	12,465,690	66,140	96,334	12,439,147	678,742	366,765	3,984,983	97,144,925	46,478,858	4,895,279
Barclay's (Can.)	9,928	....	174,398	2,055,672	1,800	5,310	316,568	332,181	1,715,747	6,675,090	6,677,233	5,812,730	1,000
Total	7,549,618	2,892,170	114,080,073	305,669,460	1,090,626	78,789,943	205,189,102	2,466,438	57,179,446	149,289,286	1,762,993,310	799,997,437	62,568,193

NAME OF BANK	Public sec. other than Canadian	Other bonds and stock	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$						$	$		$		$		$	$
Montreal	62,581,659	21,401,943	3,374,943	22,383,642	208,815,839	8,474,868	1,097,472	18,484,627	51,357	155,411	402,866	13,900,000	718,536	1,712,458	1,295,325,836
Nova Scotia	5,405,521	9,007,031	3,120,236	1,382,415	98,844,089	11,711,169	144,146	1,726,520	332,497	....	76,309	5,165,228	287,894	2,326,714	467,427,666
Toronto	....	4,233,200	1,949,540	....	55,274,933	....	....	2,789,031	19,501	....	6,323	2,869,911	178,185	74,477	228,771,773
Provinciale	....	1,234,650	3,042,927	....	13,313,428	....	17,860	1,607,396	30,497	352,412	230,205	2,044,047	86,367	112,510	89,782,424
Commerce†	42,079,154	7,973,431	9,047,564	17,117,482	219,768,334	17,242,619	779,786	6,470,676	856,653	1,808,120	730,720	13,841,994	700,000	4,280,773	996,203,605
Royal	71,279,870	23,749,725	7,269,666	33,568,079	220,093,048	50,278,218	1,032,137	13,623,126	896,374	1,704,974	741,287	13,179,028	900,000	3,758,259	1,418,064,273
Dominion	444,439	1,482,311	1,112,174	4,925,605	58,686,029	246,045	626,720	190,333	102,428	13,581	27,814	5,215,758	150,373	198,327	231,093,370
Nationale	577,095	3,601,750	3,125,299	....	40,338,861	....	629,155	3,782,988	114,236	1,159,655	699,706	4,618,989	143,818	331,534	236,998,180
Imperial	....	562,470	1,968,691	....	69,858,224	....	312,779	2,916,364	108,791	2,328	130,197	5,407,159	148,281	65,117	270,951,138
Barclay's (Can.)	48,000	....	177,100	....	3,769,382	....	....	....	353	....	....	711,492	34,332	19,219	29,402,671
Total	182,415,738	73,246,511	34,088,140	79,377,223	988,762,167	87,949,919	4,640,055	51,591,061	2,512,687	5,236,481	3,045,427	66,753,606	3,347,788	12,879,388	5,264,020,938

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return. — Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▲Total assets include $118,369,530 letters of credit outstanding as shown in liabilities.

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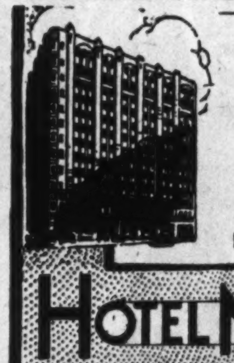

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Our Market for Newsprint

Major Threat From U. S. Developing Own Home Source

This is the fifth of a series of articles dealing with the problems confronting the restoration of Canada's peacetime export trade after the war. Below the United States market for Canadian newsprint is discussed. Other major outlets for Canadian products in the United States will be dealt with in subsequent articles.

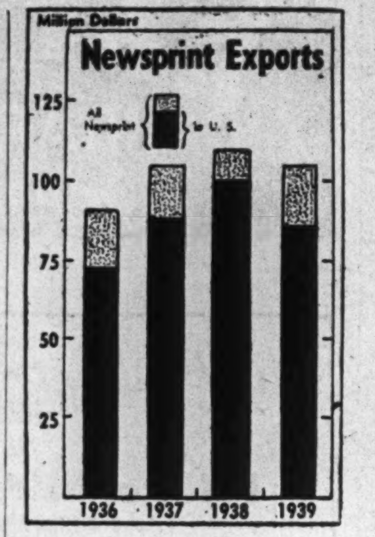
By J. E. LANGDON

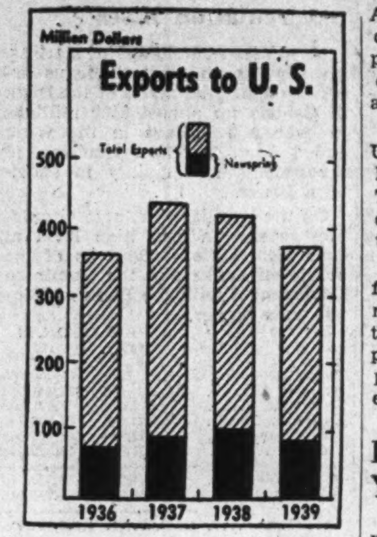
Canada unquestionably will be able to hold a place in the postwar newsprint market in the United States, but whether her share of the market is bigger or smaller will depend in part upon ability to meet price competition.

For nearly 20 years American publishers have looked to Canada for the greater part of their print paper needs.

This dependence has increased rather than decreased. After the last war Canada supplied 33% of U. S. newsprint requirements. The percentage gradually advanced until at the outbreak of this war two out of every three tons of newsprint paper used in the U. S. carried a "Made-in-Canada" label.

Since then a small but significant volume of imports from the Scandinavian countries has been eliminated. This year, it is estimated, 77% of the newsprint used in the U. S. will be of Canadian origin.





Designed for U. S. Market

One fact not always appreciated in this country is that the newsprint industry was conceived and developed primarily to supply the American market. It is true that Canadian newsprint finds its way to the United Kingdom, Australasia, South America, South Africa; in fact, almost every country of the world where there is a publishing industry, but these demands are comparatively small.

Overseas markets ordinarily purchase about 17% of Canadian output. Domestic consumption accounts for another 3%. The balance, or 80%, goes to the United States.

It is important to the Canadian industry to hold and, if possible, improve its position in the American market.

World's Biggest Market

The United States consumes nearly half of the world's newsprint production in normal times. Just now it is using more than half because of restriction on publishing in European countries.

This year American publishers will use 3.6 million tons. This is possible because of withdrawal of paper from reserve stocks, as the supply is insufficient to meet the demand.

On the supply side Canada has agreed to provide 210,000 tons monthly; Newfoundland, 12,500 tons; and domestic mills 70,000 tons.

On this basis Canada's share of the 1943 U. S. market is 77%.

Before the war—1939—apparent consumption of print paper in the United States totalled 3.5 million tons. Of this quantity Canada supplied 62%; Newfoundland, 2%; American mills, 27% and Scandinavian mills, 9%.

There is sufficient evidence to indicate that under normal conditions, the American market for newsprint appears to have a ceiling of around 3.6 million tons annually.

This is the largest and richest market available to the newsprint manufacturers.

Given Good Service

It should not be taken for granted that Canada will have no difficulty in maintaining her place in the American market. There are favorable and unfavorable factors in the outlook.

In surveying postwar prospects for Canadian newsprint in the U. S. market, probably the first point to consider is that of relations between manufacturers and consumers.

Wartime conditions have created many difficulties in maintaining supplies of newsprint paper. Nevertheless the Canadian industry has done an outstanding job in meeting the needs of its American customers. In the fifth year of the war, Canadian mills are shipping more paper to the U. S. than immediately before the war.

They sold paper in the American market during the first three years of the war at the pre-war price. Since then two price increases have been given, the base price advancing from $50 to $58 a ton.

Were it not for strenuous efforts by the Canadian mills, the U. S. publishing industry would have difficulty in functioning.

On the other hand, Canadian manufacturers are not deluding themselves into believing that in the postwar period they will receive any additional business out of gratitude for the work they are now doing. They fully anticipate that postwar price, supply, demand and other factors will rule in placing American newsprint business.

Allowing that a market will exist in the U. S. for some 3.6 million tons after the war, how will it be split?

American mills cannot meet the demand. This year they will produce 800,000 tons or thereabouts. Trend of production has been declining for many years, as machines have been converted to products more profitable than newsprint.

Peak output in U. S. was reached in 1926 when nearly 1.7 million tons were produced. In the last seven years annual production has averaged under one million tons.

It is not known whether this trend will reverse itself. Accordingly, American publishers cannot expect to secure more than 800,000 tons from domestic sources as now set up.

Depend on Imports

This leaves an apparent market of around 2.8 million tons to be serviced by imports from the Scandinavian countries, Newfoundland and Canada.

Scandinavia's surplus production available for the American market hit a peak just before the war of about 300,000 tons. It is doubtful if this level can be reached in the early postwar period.

In the first place there is no way of knowing just what damage has been done to the pulp and paper industry in Finland, Sweden and Norway. Some mills have been damaged; but the percentage of capacity affected is unknown.

While the mills of Sweden have remained untouched those in Finland have been seriously damaged. Norwegian units also have been hit by wartime conditions. Finland normally supplies a large percentage of Scandinavian newsprint exports. Accordingly, it is to be expected that the Scandinavian countries will not be a strong factor in the American market until sometime after the war.

Newfoundland's Interest

Newfoundland's interest in the American market has undergone a sharp change since the war started. Normally the Island mills have shipped the bulk of their output to the United Kingdom. Because of shipping difficulties and restrictions, United States has now replaced Britain as Newfoundland's most important newsprint market.

Total capacity of the Island's two mills is in the neighborhood of 300,000 tons annually. Just about half of that quantity is being exported currently to the U. S.

It is to be expected that in the postwar period, Newfoundland will seek to re-establish its trading position with Britain. Even if this is accomplished, a substantial part of the output will still be available to the American market, probably more than the 87,000 tons that were shipped in 1939.

Lion's Share for Canada

Allowing that Scandinavian and Newfoundland mills are able to restore or maintain their position in the American market to the extent of 300,000 and 150,000 tons, respectively, there would still be a deficit of 2.3 million tons in the American supply.

Only available source to make up this deficit is Canada.

Thus on the basis of a 3.6 million ton demand in the United States, Canada could expect to supply at least 2.3 million tons. If the demand drops to a lower figure, the Dominion could expect to share proportionately.

Actually, however, there is no assurance that Scandinavian mills will be in a position to re-enter the market immediately the war is over. Nor is there any certainty they will be able to meet the Canadian price in the American market.

Canada may obtain a larger share of the U. S. newsprint trade, but how much larger depends upon how successful the mills are in meeting the price of the European mills.

Two other factors bear upon Canada's position in the American newsprint market. One is the perpetual threat of U. S. publishing interests to develop additional domestic sources of newsprint. At this time, for example, there is talk of putting up another newsprint mill in the southern states. There is also possibility of an Alaskan newsprint industry.

Unless a totally unexpected rift in relations between the American publishers and Canadian mills occurs, it is not expected that new U. S. domestic sources of supply will have a major bearing on the market.

Second factor has to do with the possibility of existing American mills switching over from newsprint to some other pulp product.

As is well known, newsprint is the cheapest product made from woodpulp. Along these lines the steady decline in U. S. newsprint capacity and production is significant.

What has been happening to the U. S. newsprint industry may well happen to the Canadian industry. That is, a possibility of some Canadian newsprint machines may be turned over to other products.

On balance the Canadian manufacturers feel they will have all the newsprint business they want in the postwar period, though how profitable some of it will be depends upon price competition, especially from Scandinavian mills.

Canada-U. S. Newsprint Picture

	Production	Exports to U. S. Market	% of Production	% of U. S. Supply
1943 (est.)	3,040,000	2,520,000	82.9	77
1942	3,177,094	2,810,832	88.5	71
1941	3,425,865	2,770,000	80.8	70
1940	3,418,803	2,594,452	75.8	69
1939	2,869,266	2,194,126	76.4	62
1938	2,624,580	1,881,020	71.3	63
1937	3,647,800	2,909,360*	79.7	68
1932	1,907,566	1,520,293	79.5	54
1929	2,728,827	2,193,531	80.4	57
1926	1,881,737	1,656,859	88.0	47
1921	808,066	656,680	81.3	33

* At least 200,000 tons represents excessive reserve stocks accumulated in anticipation of price increase.

Edmonton Has Active Year in Construction

Edmonton, Alberta capital, gateway to new northwest roads and airways, U. S. Army concentration point, has had an active building year.

Provincial government figures for eight months put at $11.4 millions the construction at Edmonton, Calgary, Lethbridge and Medicine Hat represented by municipal building permits, a 73% increase over the 1942 figure. Edmonton's share of the total is $6 millions of work under 3,539 permits, 1,300 more than were issued last year. Calgary issued 1,037, a decrease of 303 from the same period in 1942. Lethbridge issued 227 permits in the 8-month period, and Medicine Hat 204.

Labor-Management Relations

Lang Sketches Ways To Keep Proper Balance

Formation of workers' councils, in individual plants, empowered to negotiate and enter into agreements with management on behalf of the workers is one of nine recommendations embodied in an open letter to Prime Minister King from Bert W. Lang, Toronto, president of the Broulan Porcupine Gold Mines. The letter is designed to bring about legislative action which will be fair both to the worker and employer.

The recommendations are:

The National and War Labor Boards should consist respectively of three Supreme Court judges (one to be named chairman and one vice-chairman), two representatives of the workers (one representing union members and the other the non-union workers), and two representatives of employers.

Workers' Councils

Legislation should provide for establishment of workers' councils composed of representatives, elected from among the workers in any plant or business, to handle all matters, grievances and problems affecting worker-management relations. It should be empowered to negotiate and enter into a working agreement with management on behalf of the workers.

It is recommended that the cost-of-living bonus be continued as previously with a maximum of $6 per week and provision for reduction as and when the index declines. If the present cost-of-living bonus is added to and made a part of the basic wage rate, then an unduly high and fixed wage scale will be established which may result in serious postwar unemployment. Such fixing of basic wage rates at this high level can only be considered as union-appeasement strategy.

Legislation should provide for the sharing of profits or earnings, before taxes, with workers, thus making it possible to maintain employment at much higher levels than would otherwise be the case. Such action should result in more uniform income for workers from year to year.

Collective Bargaining

Legislation should ensure that the Workers' Council be the only persons authorized to bargain collectively with their employer and to enter into a working agreement. Likewise an employer should be required to bargain in good faith and negotiate a working agreement with the Workers' Council. Failure to reach a decision should be passed to the "Settlement of Disputes."

There should be no provision for any organization or union to act as bargaining agent or representative of the workers.

The closed shop, union shop, maintenance of membership, check-off or other union-perpetuating provisions should not be allowed to enter into working agreements.

Legislation should clearly define unfair labor practices on the part of employer and worker on a basis fair to both parties.

Any dispute which is not speedily settled should be brought before a mediator or board of conciliation selected by the parties to the dispute and, if necessary, before the Regional or National War Labor Board.

Strikes and Lock-Outs

If the foregoing procedure fails, and if either party is unwilling to accept the decision of the Labor Board, it should be unlawful to call a strike or go out on strike unless approved by a majority of the workers entitled to vote and then only after 30 days have elapsed from the date on which the employer and the Labor Board have been notified of the intention to strike.

No employer should be allowed to resort to a lock-out without due process, and then only after 30 days' notice to the employees and the Labor Board of intention to institute a lock-out.

Proper control of labor organizations should be exercised and legislation should provide, among other things, for registration of all labor organizations, books to be kept, initiation fees, dues and funds, annual reports, annual meetings and elections, to provide for the proper conduct of labor organizations in the best interests of all concerned.

Bathurst Power & Paper Co.'s earnings are reported to have taken a turn for the better. High water conditions have eliminated power shortages and with better than an average wood pile, prospects are regarded as favorable for balance of the year. It is still too early to say whether the improvement will offset the poor showing made in the first half of the year.

Associated Tel. & Tel. Profits Are Lowered

A 23% reduction in profits shown by Associated Telephone & Telegraph for the nine months ended Sept. 30, 1943. This is due almost entirely to the practical disappearance of income from sources other than the company's subsidiaries. No other change of great magnitude is recorded in the income statement. Following is a tabulation of the income and surplus account for the nine months.

Income Account—9 Mos. Ended Sept.	1943	1942
Int. & divds. from subs.	$760,306	$763,956
Other income	1,069	42,388
	761,375	806,344
Oper. exp. & taxes ..	118,538	113,873
Net earnings	642,817	692,471
Less: Debent. int.	467,228	473,606
General interest ...	711	......
Amort. debt disc. ..	46,016	47,110
Balance for surplus ..	128,964	168,671
Surplus Jan. 1	977,871	828,489
Direct credits to surp.	56,672	76,248
Balance forward	1,163,407	1,081,406

Lakehead Paper Mills Outlook Rated Lowly

Faced with the prospect of a grave wood shortage, every paper mill in northwestern Ontario may have to close down next fall unless there is an improvement in the pulpwood supply meanwhile, says Alderman George McComber of Port Arthur.

Mayor C. W. Cox of the same city said the situation resulted from a policy which permitted large quantities of pulpwood to be exported to the United States despite acute shortages in Canada. "Last year 350,000 cords of wood were exported," he said.

Canada Wire & Cable has declared a dividend of 25 cents a share on the Class B stock, payable Dec. 15 to shareholders of record Nov. 30. This brings payments for the year up to $1 a share, compared with $2 a share in 1942.

"THE "ACK-ACKS" SHOOT THE WORKS
ONE OF A SERIES OF "ACTION PICTURES" WITH CANADA'S MECHANIZED ARMY

"It is the duty of every Ford employee to remember that the lives of our boys overseas are dependent on the thoroughness of the handiwork of the men in our shops and on our assembly lines."

PRESIDENT

WHEN AN ARMY COLUMN ADVANCES into enemy territory, mobile anti-aircraft units move with it. When enemy dive bombers or strafing planes appear, these Bofors guns go into action on the spot. While the infantry scatter and take cover, and blaze away at the enemy planes with rifles and machine guns, the Ack-Acks "shoot the works".

Less than one minute after the first warning, the gun is unlimbered from its tractor, and is hurling two shells a second at the hostile planes. Then, as soon as the danger is over, the gun limbers up again and moves forward with the column. Frequently too, this high velocity gun is called upon to knock out enemy tanks with armor piercing shells.

• • •

The artillery tractor which hauls the Bofors anti-aircraft gun over bomb-pocked roads wherever our troops are operating, is just one of more than 50 types of battle vehicles now being built by Ford of Canada's craftsmen. Rugged, sure-footed, and powered by the Ford V-8 engine, it is built to stand up under the toughest service, and to get its gun where it is needed without fail.

FORD MOTOR COMPANY OF CANADA, LIMITED
FORD V-8 AND MERCURY CARS
FORD TRUCKS, TRACTORS AND BUSES

LARGEST PRODUCERS OF MILITARY VEHICLES IN THE BRITISH EMPIRE

THE FINANCIAL
POST
Canada's Foremost Business Newspaper

Toronto, November 13, 1943

War Changes Canada's Food Distributing Organization

Fewer Outlets Do More Business; Offer Less Varied Stocks; Meet Transportation, Rationing and Labor Problems as Goods Grow Scarce

After more than four years of wartime conditions, the distribution of foodstuffs is still undergoing changes which, contrasted with the methods prevailing in pre-war days, almost might be termed revolutionary.

Four factors have had a direct bearing on the problem of providing foodstuffs for the civilian.

There is the lessening of variety in foodstuffs; the greater dependence of the distributor on staple lines.

Transportation difficulties have cut down the elaborate, free and costly delivery services.

Shortage of labor has speeded up the conversion of service to self-service stores.

Rationing has added to the complexity of the distributor's business, while the black market, small and insignificant as it may be, has added to the competition for a share of the consumers' dollar spent on foodstuffs.

These problems have been intensified because of the sharp advance in food consumption.

Use More Than Ever

In general, Canadians bought more food by weight and value in 1942 than in any previous year and spent on foodstuffs a larger percentage of their income.

Estimates place the outlay on foodstuffs last year at around $600 millions, as contrasted with $425 millions in 1939.

This marked expansion in business has not been accompanied by an increase in stores and services. On the contrary, there has been a process of concentration of facilities and manpower, so that the average store unit of today handles a greater volume of business than was the case before the war.

This concentration has not applied to any one type or form of service. Some operators—poorly financed or badly managed—have disappeared, with the result that the foodstuffs distribution industry is more compact and efficient now that it has ever been before.

This consolidation of operations is clearly reflected in returns compiled by the Dominion Bureau of Statistics. For example, in the past 12 months the number of wholesale grocery units declined from 72 to 69, yet the volume of sales held up.

Last August 895 chain stores reported a sales volume of nearly $12 millions. For the same month in 1942 there were 924 chain stores in operation with sales of $13.7 millions and in August, 1941, 999 stores reported sales of just under $13 millions.

Record of the independent stores follows the same trend. Last August 874 stores reported sales, whereas a year ago there were 925.

These returns, of course, do not provide complete coverage of foodstuffs outlets. However, they do indicate a trend which has been going on in the distribution industry ever since the war started.

More for Chains

While both chain and independent stores are steadily declining in number, volume of business handled by the chains in relation to the trade available, has tended to increase. Percentage of trade handled has advanced from slightly over 30% to better than 33% of the total.

Probable reason for this is the greater measure of efficiency and control exercised in chain store operations. There are many independent stores operated just as efficiently as the chains, but, by and large, conditions over the past four years appear to have favored consolidated operations such as enjoyed by the chain store organization.

Doing Big Job

Considering the substantial gain in earning power of the average worker and the greatly increased volume of employment since 1939, distributors have done a remarkably fine job in meeting civilian requirements.

Demands have been met in face of the Government order freezing business by banning the opening or acquisition of new outlets. At the same time the order also prohibits the taking on of new lines and this has brought the existing retailer an assurance of stability which it would not otherwise be possible to provide.

Without this order the policy of equitable distribution of foodstuffs would have faint hope of success. Items of short supply would be diverted and dissipated among a larger number of establishments, and the temptation so prevalent in the United States to offset declining sales volume by taking on commodities not formerly sold and often completely foreign to the retailer in question would increase unchecked. Retailer mortality unquestionably has been reduced by this regulation.

Question of Distribution

Probably a more important influence than the freezing of business on the distribution of foodstuffs has been the desirability of securing an equitable distribution of supplies. Allied with this problem is the movement of population.

As local conditions changed, the question of allocation of available supplies becomes increasingly difficult. The large influx of United States citizens engaged in the construction of the Alaska Highway, for instance, created many and complex problems of allocation in northern Alberta and British Columbia.

Necessity for providing ships' stores at Canadian seaports has also upset normal peacetime routine. Where formerly transocean shipping stocked food supplies for the round trip in Britain or in Australia or in the Far East, these ships are now stocking at Canadian ports.

The movement of industrial workers to war industry centres often has been sufficiently heavy to dislocate normal channels of supply. Then, too, the requirements of armed services within Canada have had a disturbing effect on regular distribution machinery.

All these factors complicate the distribution of supplies to the various sections of a large and widely scattered population with varying living conditions and different essential requirements.

Sales Volume up Sharply

The sharp increase in the volume of foodstuffs sales over the past four years or more is shown in the following index record:

Index of Grocery and Meat Store Sales
(1935 to 1939 = 100)

Year	Canada	Maritimes	Quebec	Ontario	Prairies	B.C.
1943▲	157.8	178.0	148.8	147.0	192.3	170.5
1942*	157.9	168.3	157.5	157.0	154.7	157.8
1941*	137.6	140.4	133.7	140.1	136.5	137.2
1940*	119.6	120.2	116.7	120.0	123.3	121.6
1939*	108.6	108.6	109.5	109.0	107.6	103.8

▲Month of August. *Yearly average.

Highlight of this report is that the volume of dollar sales has not increased in the industrialized provinces of Ontario and Quebec to the same extent as in other areas.

This is understandable in the case of the Maritimes where a heavy influx of servicemen and war workers has greatly boosted retail trade of all types. Nor is it surprising that British Columbia should record a greater percentage increase in foodstuffs sales since 1939 than in the two central provinces. The gain in the Prairie Provinces leads all areas—the index advancing from 107.6 for 1939 to a current figure of 192.3, a clear measure of the improved conditions which better crops and prices have brought.

These returns indicate further that the living standard of the Canadian civilian has become stabilized. It would seem reasonable to assume, therefore, that about the same proportion of civilian income will be spent on foodstuffs in 1944 as in 1942.

This is the problem of foodstuffs distribution viewed as a whole. The impact on the chain and dependent store is intensified to such a degree that the Wartime Prices and Trade Board has had to regulate distribution to ensure all sections of the country would receive a fair share of available supplies.

Rationing of Foods

Certain foodstuffs have, for a variety of reasons, had to be rationed. Sugar, coffee and tea were the first, and more recently butter, jams, jellies, honey and meat.

Rationing has not always been employed because there was a shortage, but rather to secure a better distribution.

For example, Canadian production of jams and jellies has increased tremendously. In 1940 about 36 million lb. of jams, etc., were produced in Canada, of which three million lb. were sent to the armed forces, leaving 33 million lb. available for the Canadian consumer.

In 1942 total production available for civilian use was 60 million lb., or approximately twice than in 1940. This year only 35 million lb. will be available for civilian consumption. This is

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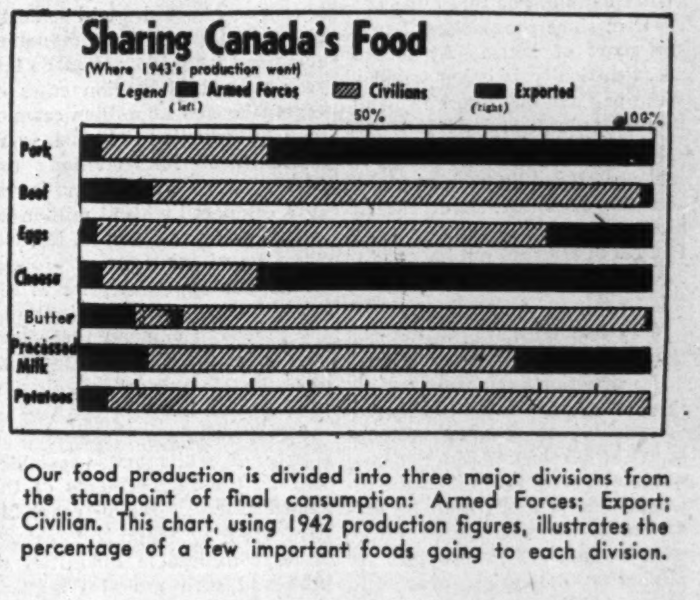
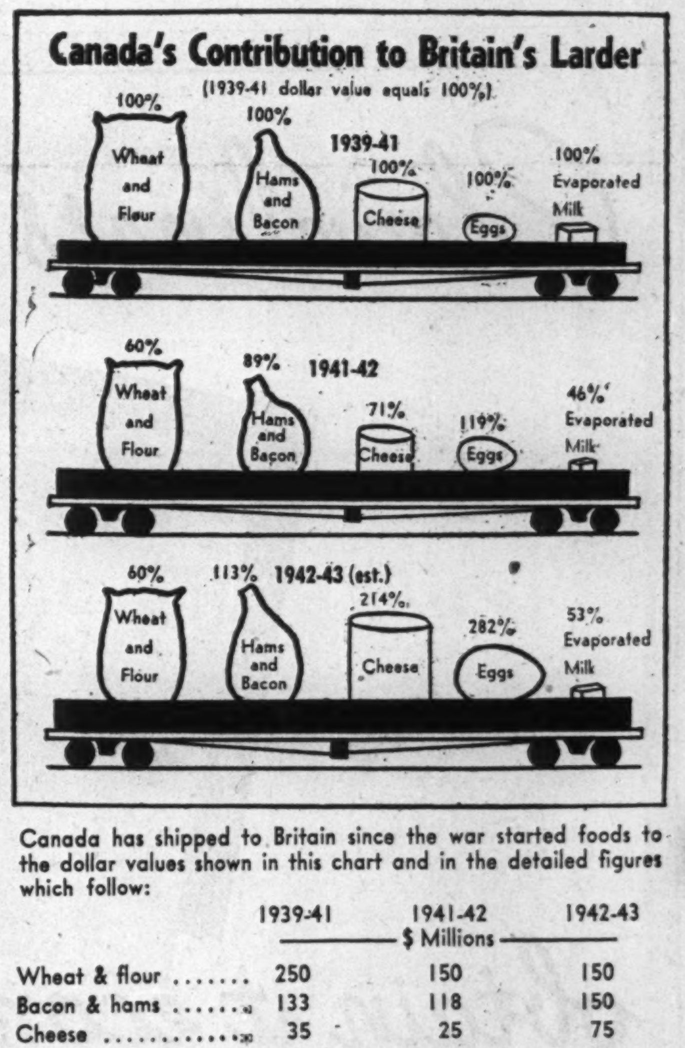
TAKE FRUIT OR VEGETABLES TO SELF SERVICE CASHIER AND WRAPPING DESK

For the food distributor, maintenance of profitable operations means increased efforts to reduce expenses. Self-service departments like this, with checking desks, to handle fresh fruits, vegetables and meats make for lessened labor requirements.



Our food production is divided into three major divisions from the standpoint of final consumption: Armed Forces; Export; Civilian. This chart, using 1942 production figures, illustrates the percentage of a few important foods going to each division.



Canada has shipped to Britain since the war started foods to the dollar values shown in this chart and in the detailed figures which follow:

	1939-41	1941-42	1942-43
	$ Millions		
Wheat & flour	250	150	150
Bacon & hams	133	118	150
Cheese	35	25	75
Eggs	7.8	9.0	22
Processed milk	5.5	2.5	2.9

Some Rations May Be Shorter Yet

Group by Group Study of What Coming Months May Offer

A well-known authority on food merchandising in Canada, B. T. Huston has been editor of Canadian Grocer, a publication of The MacLean Publishing Co., since 1908, and secretary of the Food Products Association since its formation in 1920.

By B. T. HUSTON
Editor, Canadian Grocer
MacLean Publishing Co., Ltd.

Because of the widespread nature of the food industries in Canada, their diverse problems and prospects, this story deals with the whole group by sections, divided primarily on the basis of the products themselves.

CANNED MEATS AND VEGETABLES

As final figures of the 1943 packs of canned vegetables and fruits won't be issued for a few months, only estimates can now be made. Ottawa has been figuring on a vegetable pack 80% of last year and a 50% fruit pack. The former may be fairly accurate if tomato juice is included, pack of which will be above last year's 2 million cases because it requires little labor.

But packs of the "big four" vegetables have been disappointing. A year ago, canned pea output was over 3.7 million cases, but it won't likely be half that in 1943. A 3-million case pack of tomatoes was wanted as in 1941, but estimates are that it will be between 1.5 million and 2 million. Chances are more sanguine for 1.5 million cases of corn against 1.8 million in 1942, but it will likely be less than the former figure. String bean output will probably be 200,000 cases under last year.

Wet weather in May and early June was largely responsible although labor shortages contributed. Some early light frosts damaged tomato vines in Quebec and Western Ontario, although the crop in Prince Edward county in Ontario was never better.

WPTB several weeks ago instructed canners to reserve for M. & S. for the armed forces, 50% of the tomato pack, 38% of the juice and 25% of peas, corn and green and wax beans. But it's understood it wants only a total of a million cases of canned vegetables and quantities of these reserved items may be turned back for civilians. But the quantity still won't be enough.

Not long ago, WPTB put canned pork and beans, canned spaghetti and macaroni, mushrooms and sauerkraut (banned since June 30, 1942, as far as tin plate is concerned) back into circulation in an endeavor to help out the vegetable shortage. Now packers may pack up to March 31 next—quantities unlimited apart from the special type of cans available and the supply of beans.

Canned vegetables, frozen in jobbers' hands last August, will not be put on a formal rationing basis. Wholesalers who receive quotas from canners will allocate the goods to retail customers. The latter are expected to let cut the merchandise gradually and as evenly as possible. Equitable distribution of canned foods is a major problem for the Board. Areas with increased population due to war industries are entitled to a quota bigger than would ordinarily be their lot. When goods are short, this means other communities will get less than the mathematical allocation.

CANNED FRUITS

Whether we reach a 50% canned fruit production is problematical. The consumer paid high prices for such fruits as berries and peaches. Canners, limited to fixed prices, went without. The peach pack is estimated at from 10% to 25% of last year.

A recent WPTB order permits canners to import fruits and can them here—grapefruit, pineapple, pears for instance. But before they are packed and offered for sale, there is a price ceiling and cost problem to overcome.

Tin containers will also be available again for fruits for salad, pack of which is never heavy. But Ottawa declines to remove restrictions on canned apples and apple sauce and grapes, in both of which we have substantial crops.

DAIRY PRODUCTS

Ottawa has had difficulty striking the correct milk subsidy to balance between butter and cheese. Two years ago, cheese prices were lifted nearly 10c. per lb. by the official fixing of a maximum price of 25c. in Ontario and Quebec without corresponding attention to butter. Farmers switched their milk from creameries to cheese factories resulting in a record 200 million lb. cheese production in 1942. There was plenty of cheese for both the export and domestic markets but it was secured at the expense of butter. A result was butter rationing and a subsidy on butter fat. Again there was a producer's switch resulting in an increase this year of from 40 to 50% in butter in storage, and a decline of 25% in cheese.

This decline has been worrying Ottawa in case there were insufficient cheese to fill the 150 million lb. British order. A few weeks ago a 30c. per cwt. Government subsidy was announced on milk for cheese to help secure it—and so it goes.

Today there is a good supply of butter, but a possible domestic cheese shortage. Most of the 1943 make has been earmarked for the United Kingdom or Munitions & Supply. For the first time in years, Canada is exporting a fair quantity of butter (estimated at 7 million lb.) to help take care of the shortage of cheese.

Milk production is up over a year ago, but so is the demand and there has been an echo from Ottawa that it might even have to be controlled. A few weeks back a priority system of evaporated milk rationing became effective to make sure babies could be well supplied and exports taken care of. Butter is therefore the only dairy product at all plentiful. To offset this, we are running into the period of minimum production and are shipping part of our surplus overseas.

MEATS

For the next few months at least, indications point to a plentiful supply of most standard meats. After that the story may be different with the general situation getting progressively tighter, though perhaps not alarmingly so, as the year advances.

In sharp contrast to a year ago, when record crops were harvested in both western and eastern Canada, this season the grain crops, upon which this winter's meat and dairy products are to be produced, were much poorer. There was a near-failure in large sections of eastern Canada. Coupled with this shortage of feed has been growing criticism by farmers of livestock prices, especially of hogs.

The two developments have resulted in starting considerable liquidation of livestock holdings. To the consumer this means more meat immediately but a good deal less later on.

Offsetting the threat of shortage later on, however, is the fact that our bacon quota to Britain for next year has been cut one third, from 675 million pounds to 450 million, and the rigorous restrictions on slaughtering of pork for domestic use have been lifted. This should result in much more plentiful supplies of pork products on the domestic market. It may also help the beef situation. The authorities hope that with more pork for home consumption Canada may be able to export fairly substantial quantities of beef to Great Britain, something that has not been done so far.

Production of lamb and poultry products have increased but neither meat is relatively important compared to volume of pork and beef. Moreover, consumption

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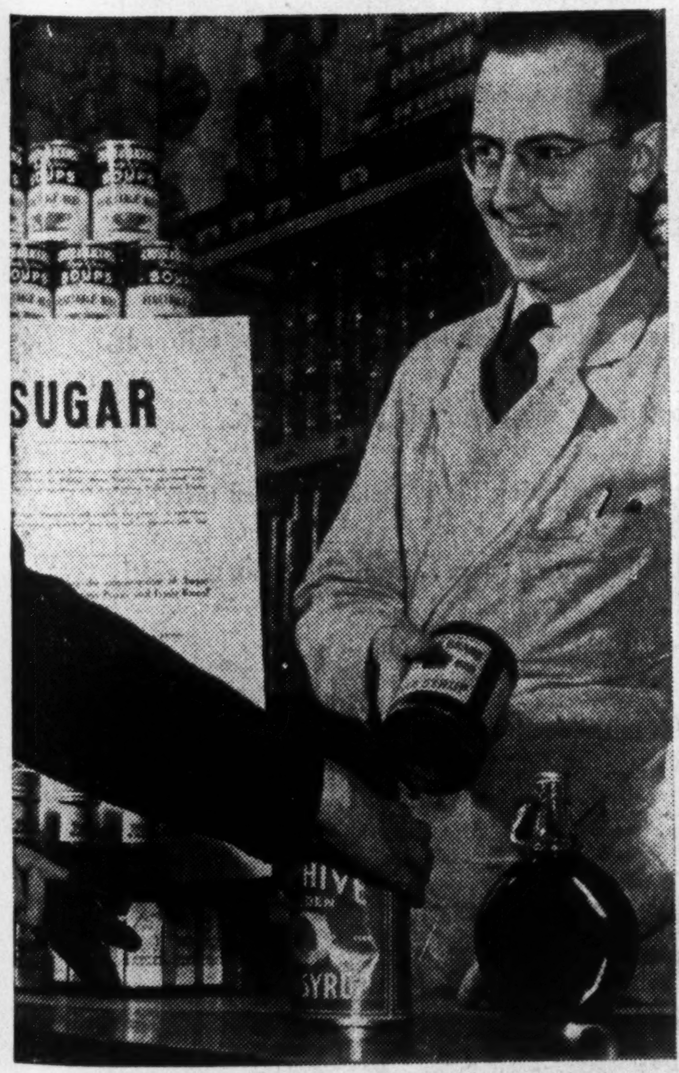
Food Rations Compared

	Meat	Butter, Fats, Margarine	Sugar, Jams, Preserves	Tea	Coffee
CANADA	1 to 3 lb., according to type; overall average 2 lb. a week	8 oz. butter (other fats not rationed)	8 oz. sugar, 4.8 oz. preserves or 3 oz. jam	1-1/3 oz.	5-1/3 oz.
UNITED KINGDOM	1¼ lb.	2 oz. butter, 4 oz. margarine	8 oz. sugar, 4 oz. preserves	2 oz.	Not rationed
UNITED STATES	2 lb.	4½ oz. butter, 1-1/5 oz. margarine	No breakdown, as points system groups canned and dried fruits with canned vegetables	Not rationed	Not now rationed
GERMANY	¾ lb.	7-1/3 oz. fats	12.1 oz. sugar and preserves*	No information available	No information available

*Relatively large ration at least partly explained by the fact that Germany has been concentrating on sugar beet production in home and occupied territories because residual products are useful as animal feed and energy content of the sugar is high. Figure is based on 1939-41 average.



Recent indications, such as increased quotas of sugar allowed indusrtial users, suggest improved supplies of sugar, available now.

Final figures for the 1943 packs of canned vegetables and fruits, to be ready in a few months, are expected to show that the 80% of last year's production of canned vegetables taken as the objective may be reached, but for fruits the story is not as satisfactory. The civilian supply of all canned goods is not expected to meet the demands coming.

Canners and Packers

Vegetable, Fruit Pack Down

Meat Processors Active; Feel Labor, Material Pinch

Developments in the meat packing industry over the past year reflect the tightening of our economy under the strain of war and increased consumer buying power. Rationing of canned fruits, jam and meat have been introduced, the latter having been in effect since last spring.

Due to a combination of unfavorable weather conditions and a shortage of farm labor and machinery, production of fruits and vegetables has shown a substantial decline, resulting in a commercial pack perhaps 20% below that of last year.

Labor shortage in the canning industry has therefore not been the only determining factor in production, although such shortages have appeared. One effect has been an increase in the output of tomato juice at the expense of canned tomatoes.

Plenty of Livestock

Livestock population on the farms this year is the largest ever, as expansion of livestock population begins to take its full effect. Preliminary estimates put deliveries in October, November and December at 31% above last year, with a 75% increase in Saskatchewan. A serious situation has arisen in the handling of this huge production, since the packing houses are short of labor. At present great difficulty is being found at Winnipeg and elsewhere in handling the volume of deliveries.

Result has been a freezing of labor employed by packing plants, and the classification of the industry in number one priority. Peak deliveries are not believed to have been reached yet, except at Montreal.

With coarse grain production in the east at 50% of last year's level, and production down considerably in the west, it is doubtful if it will be possible to maintain present levels of livestock production, and some indication that this is the official view is thought to be evidenced by the new bacon contract with Britain which provides for minimum deliveries over two years of 900 million lb., compared with a previous one-year contract for 675 million lb.

Narrow Profit Margin

At least one company, Canada Packers, showed operations to have yielded a still lower margin of profit on sales. Prices to the farmer have risen faster than have prices at which meat packers may sell. Volume of sales has risen greatly, thus helping packers to maintain profits.

Latest report on the pack of canned salmon this year gives figures lower than in 1942 to the same date, with the pack of sockeye poor.

B. C. Pack to Oct. 23

	1943	1942
	cases	
Sockeye	164,858	663,753
Other	1,010,243	1,023,713
Total	1,175,101	1,687,466

In fruit and vegetables, the supply of products available for canning has been the main limiting factor, but price regulations are believed in some cases, of which peaches are an example, to have resulted in home consumers overbidding the canning companies. It is claimed that if prices had been so fixed as to allow the canners to get a larger share of the crop, more efficient utilization would have been made of it.

It is estimated that production of canned vegetables will be down 20% from last year and production of canned fruit, 50%. Canada last year canned 11 million cases of vegetables and 1.6 million cases of fruit. Production of jams and marmalades for civilian use amounted to 73 million lb. in 1942, compared with 61 million lb. in 1941 and 43 million lb. in 1940 Shortage of this type of product which was apparent prior to the introduction of rationing, indicates the increased demand that there now is for these foods. One estimate for this year puts production at 50 million lb.

Serious drain on the civilian supply of fruits and vegetables will be the requirements of the armed forces. Main vegetable item used by them is tomatoes, while considerable quantities of peas and corn are also requisitioned. Details on the canned fruit and vegetable situation are given in an article on another page.

Fruit and vegetable packers are, therefore, faced with lower volume of manufacture and the necessity of paying top prices for their materials.

B. C. Packers

While last year's salmon pack went entirely to export, chiefly for Great Britain, 200,000 cases of 1943 pack will be allocated for domestic use, about one third of a normal year's consumption. As the main unit in the trade, British Columbia Packers' fortunes depend on size of pack and prices. Pack of B. C. Salmon to date in 1943 is less than last year, with the sockeye pack particularly poor. The 1942 pack amounted to about 1.8 million cases, 19.6% less than in 1941. The packs of herrings and pilchards are showing decline this year as they did last. Decline in profits last year is the result of lowered sales and the constantly increasing proportion of sales which must go to wages.

Loss of Japanese fishermen has not seriously retarded the industry in B. C. and labor does not appear to have been as major a problem as in some industries. B. C. Packers, after a period of complete elimination of domestic sales, will now have some of its product on the home market, it is expected.

The company's pre-war export market included 25 countries, of which the most important were Empire countries, which it is still supplying. Expansion has, in recent years, taken place in the canning of tuna fish and the sale of fresh fish, most of the latter going to the United States market due to price differentials.

Burns & Co.

Engaged principally in the meat packing business, Burns & Co. operates in addition retail outlets dealing in meat and produce, wholesale fruit depots, ice cream manufacturing and distributing organizations and a wide system of wholesale outlets, located mostly in Western Canada. Acquisition of Dumarts, Ltd., in 1941, extended the company into eastern and export markets.

The company has engaged in considerable capital expansion since the outbreak of war to cope with the increased volume of business, among other things having built an egg-powdering plant at Calgary. Further capital expansion is not anticipated for the duration. One branch of the company's business which has suffered curtailment due to wartime conditions has been its canned goods line.

Canada Packers

Canada Packers manufactures a full range of packing house products in Toronto, Peterborough, Montreal, Hull, Winnipeg, Edmonton, Vancouver and Chicago.

Operations are now carried on at the lowest margin of profit on sales that has existed for many years, the company states, due to increased livestock prices. Deliveries of livestock this year are expected to be of record size. A serious labor shortage exists, which carries some threat of inability to handle all deliveries. Shortage of feed will probably necessitate a reduction in the livestock population for 1944, however, and already announcement has been made that hog quotas to Great Britain will be reduced to 450 million hogs a year for the next two years, compared to 675 millions this year. At the same time limitations on slaughtering for the domestic market, however, are lifted and total volume may be well maintained.

Concern has been expressed by the company over the danger to Canada's future markets involved in relaxation of quality bacon standards which the press of wartime production has brought.

In addition to its packing plants the company operates distribution centres throughout the country and does canning and quick-freezing of food products. Principal brand name is "Maple Leaf."

Canadian Canners

Canadian Canners, like others in the canning industry, has been faced with increasing raw material costs in the face of ceilings on canned goods. Large volume of output enabled the company to make a fair profit last year, however, though it showed a decline from the previous year.

Reduced production of canned goods this season may reduce earnings of the company though much of the loss will be absorbed by reduction in excess profits tax. The refundable portion last year amounted to $200,000.

Statement by W. R. Drynan, president, in his latest annual report said "though the company was in the business of dehydrating foods, he believes that the future of canned foods was more firm than ever."

Canadian Canners operates 55 canning factories in Ontario, three in Quebec, eight in B.C., and one in Nova Scotia. Its brand name is "Aylmer." Subsidiaries manufacture boxes, grow seed, operate farms and manufacture cider and vinegar. Production problem this season has not been in obtaining tin but in obtaining fruits and vegetables. Pack was further reduced through the high prices being paid for fresh fruit and vegetables by consumers.

Connors Bros.

Lack of labor has interfered with operations of Connors Bros., operating the largest sardine canning plant in the world at Black's Harbor, N.B. Late in the fall it was necessary for the company to close down its No. 2 factory.

This summer, for the first time, the company appealed to the older school children of the district to take jobs to help out in the emergency. Factory No. 2, largely manned by school children and elderly men, was able to produce 500 cases of sardines daily compared with 1,000 in normal times.

Sardines for Britain

A large part of the company's current production—more than 50%—is going to the Government. Most of this is for export overseas to war areas, such as Britain.

Unless the labor situation improves, and there is no immediate prospect of that, it is believed the company will not be able to maintain its former volume of production and sales.

Financial statements for the company have not been made public within recent years and particulars on earning power, therefore, are not available.

Here is one reason why the civilian meat consumer is limited in choice and quantity: Army Service Corps men with carcasses destined to make food for the troops.

Maritime National

Maritime National Fish Ltd.'s only problem, and it is a major one, is in securing sufficient labor. Nevertheless operations have shown reasonably satisfactory results.

Lack of meat supplies has caused a sharp rise in domestic fish trade. In addition, the company has been hard put at times to meet the needs of troop and naval ships along the Atlantic coast. For the most part demand is far greater than supply.

Maritime National is one of the foremost Atlantic coast firms in the fresh, smoked, frozen, canned and dried sea fish business. Its products are marketed over a wide area but particularly, since the war started, in the Halifax area.

With the increase in the price paid to the fishermen and higher cost of supplies, operating profits have shown comparatively little change, though the trend has been upward.

Slaughter Increase Record

INSPECTED SLAUGHTERINGS

	1943			1942
	July	Aug.	Sept.	Sept.
Cattle	78,567	90,726	101,840	54,268
Calves	53,998	50,956	46,863	51,293
Sheep	15,130	13,076	85,963	9,084
Hogs	480,296	436,350	475,828	404,977

SALES ON STOCKYARDS

	1943			1942
	July	Aug.	Sept.	Sept.
Cattle	49,064	84,170	80,095	68,507
Calves	33,080	40,777	33,263	43,818
Hogs	56,529	67,344	66,837	73,537
Sheep	25,449	43,918	45,096	58,341

Wilsil

Operations of Wilsil Ltd., Montreal meat packers, are governed only by plant capacity and supply of hogs and cattle available. At the same time operations of the company have held at a consistently high level for several years and profits from operations since the beginning of the war have shown less change than might have been expected in view of demand.

During the year ended Jan. 2 last operating profits at $376,851 were slightly lower than in either of the three preceding years. Net profits tended downward slightly, with share earnings last year totalling $1.34. This contrasted with $1.42 in 1942 and $1.49 in 1940.

Over several years, profits have varied but little, indicative of the high degree of stability in operations of this company.

B. C. TO EAT SHARK

Shark meat has already made its appearance in Vancouver, B.C., markets and experiments will be made to see how well it will sell. Two markets took small amounts of the meat from a soupfin shark load for a Vancouver company and the next time this company gets a load of the fish it will probably sell the meat in additional markets, an official said. The livers are sold as a valuable oil source.

Shark meat has been selling in the United States for some time.

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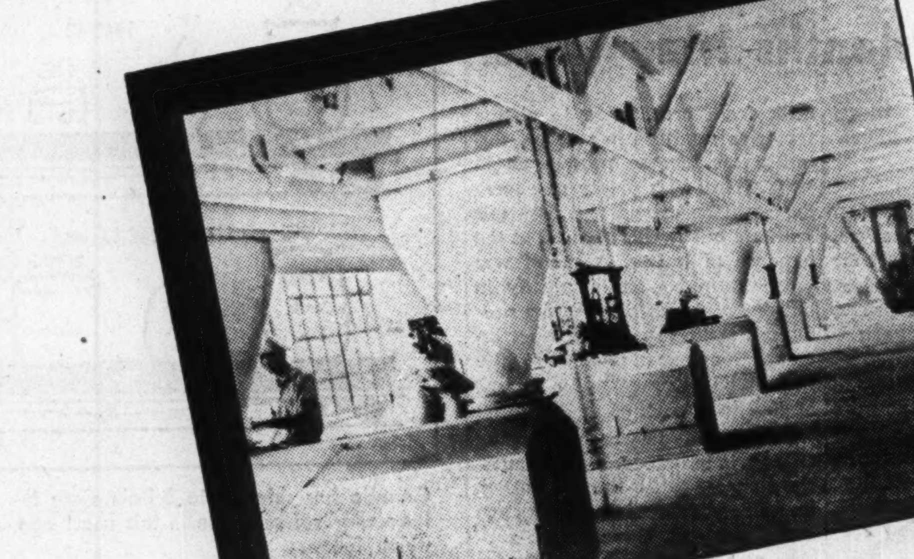

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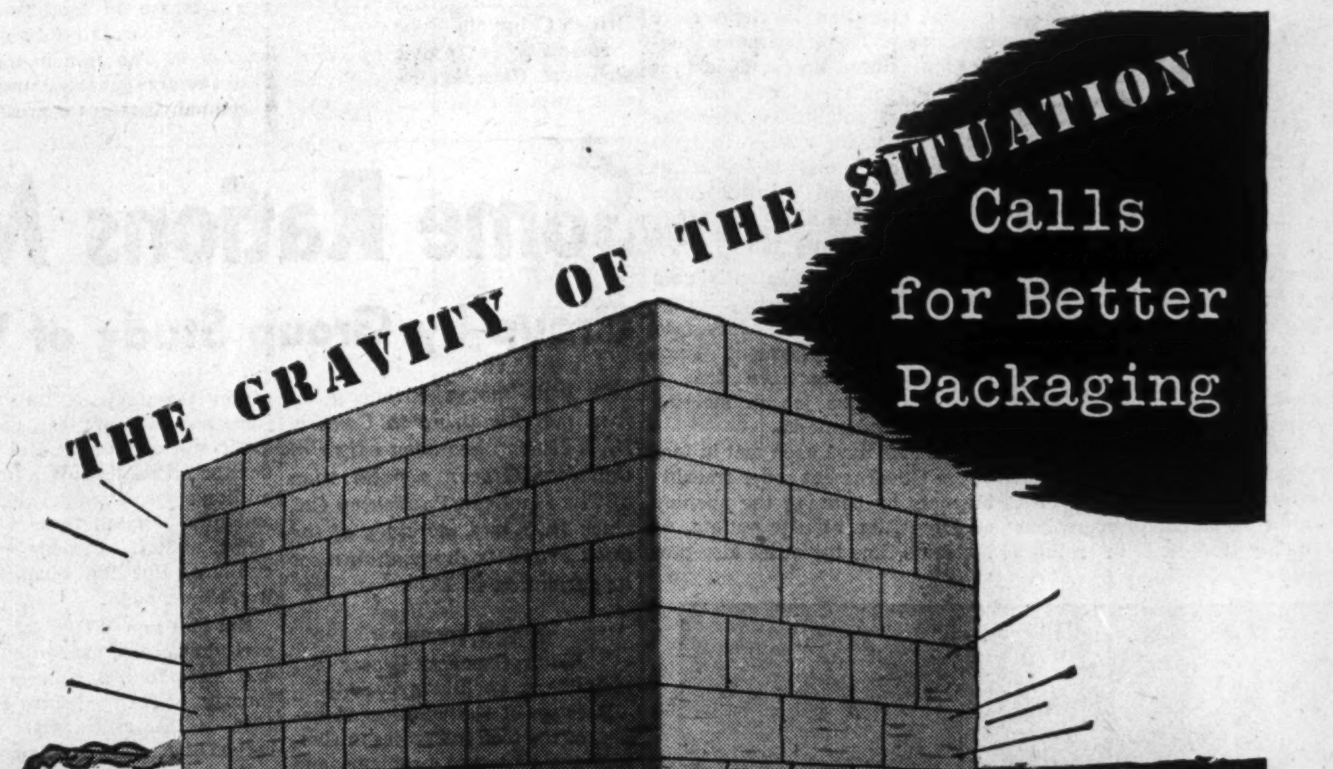
THE GRAVITY OF THE SITUATION
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An average of five more tons per car . . . that's the war-load being shouldered by the railroads. And that's why "floored" shipping boxes must support many more pounds per package.

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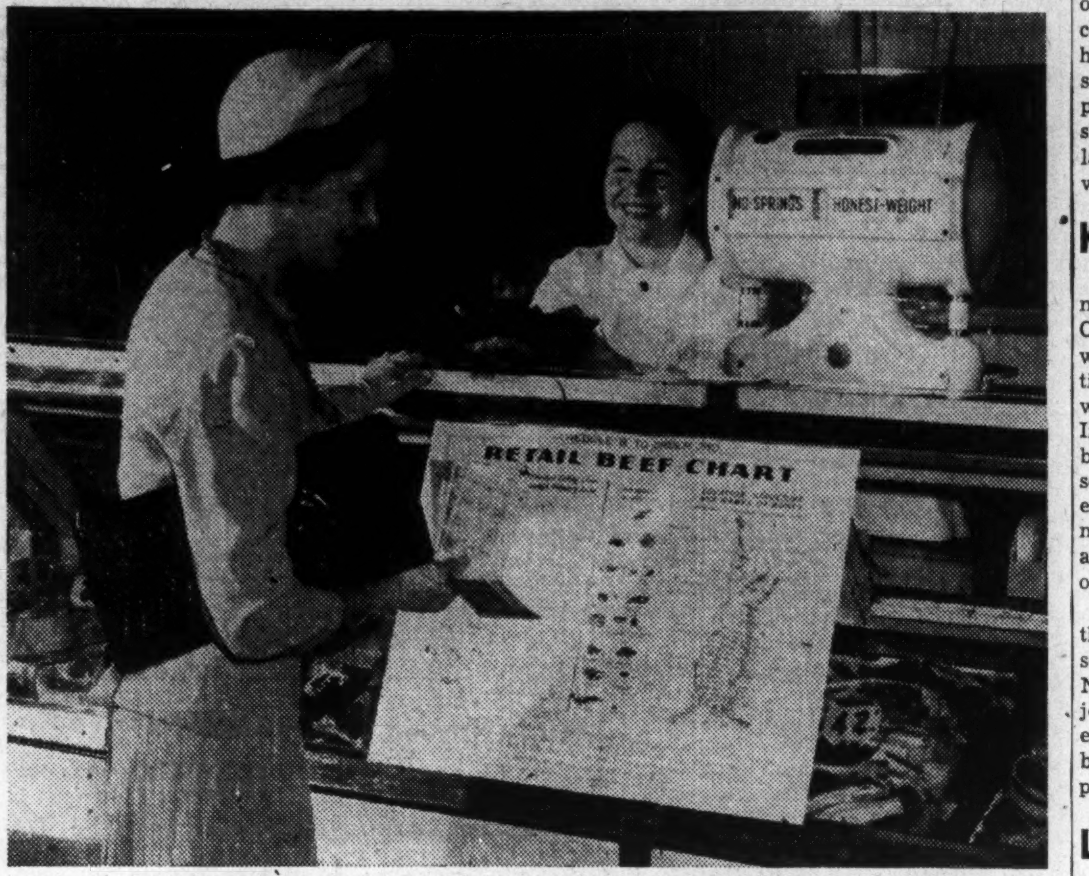
Shortages Hit Grocery Trade

Period of Sales Increases Appears Near Conclusion

Retail sales showed a decline in August over the preceding year, this being the first downward movement of the index of dollar sales since the beginning of the war, with the exception of one month in 1940. Sales of meats and groceries declined in line with this general drop although by a very little. When adjusted for number of business days and seasonal fluctuations there was a rise in the index.

There is reason to believe, however, that the period of regular increases in food sales is near an end. Trends in the business are conflicting. There is no doubt that there will be a considerable reduction this year in canned food sales, but many items are going to come back in some degree.



Rationing has brought new problems for the retailer; is accounting for an important portion of increased cost of doing business. Here a meat customer reckons for herself what coupons are needed for the cut of her choice.

Imports Unpredictable

In the field of imports it is difficult, or impossible, to tell from week to week whether any particular food will be available or not. With the shipping situation eased it seems possible that supplies of such things as bananas, coffee, tea, cocoa, sugar and perhaps other items will be more plentiful. Restrictions have been eased on the canning of a variety of minor food items and one or two major ones, such as beans, and it appears that some goods—bacon and salmon—will appear in increased qualities.

Any substantial increase in sales of luxury or semi-luxury foods should help earnings, since it is on these items that retail grocery dealers make their widest margins of profits. On staple commodities the margin is frequently small.

Will Maintain Earnings

Even for companies whose fiscal year ends next spring there seems to be little fear that the current period will show much change in earnings. Beyond the fairly immediate future, however, the outlook becomes even more obscure because of impossibility of predicting crops, the length of the war and policy upon the supplying of food to freed countries.

A recent WPTB directive has set selling quotas for millers of seven major spices at the levels set for the previous period. Several of the companies reviewed below are engaged in the milling of spices in addition to their main wholesale business.

Labor Supply Deteriorated

During the past year conditions in the labor market have grown considerably worse for retailers and wholesalers. Increased stringency in the supply of labor available for replacements, and direct action on the part of NSS to remove retail employees to more essential occupations have aggravated labor troubles. Departure of employees in order to join the armed forces continues.

Wartime changes in the field of retail food sales have been toward great simplification of service. Deliveries have been reduced or eliminated entirely and no goods are wrapped except when necessary. This has reduced costs somewhat and helped to offset narrower margins on sales and higher labor costs.

May Be More Candy

Present indications are that, if anything, sales of candy will show an increase from now on and for the current year. Supplies of sugar and cocoa have been increased. Big problem, however, is the shortage of labor, which, according to company officials, is so acute that it is doubtful if the increased sugar ration will result in higher production. Moreover, candy makers have been manufacturing for the armed forces right along, with supplies of cocoa and sugar allocated in addition to their quota for the civilian trade.

Canada Tea

Canada Tea is an Ontario organization dealing in tea, coffee and spices, with head office in Toronto and subsidiaries in Toronto, Hamilton, Brantford, Peterborough and London. Arrears on the 7% preferred stock amounted to 75½% at May 31, 1942. In 1942 it paid preferred dividends of 5%.

Dominion Stores

Since its initial dividend payment of 10c. a share in August, 1942, Dominion Stores has paid regular quarterly dividends in this amount, making a total of 20c. a share in 1942 and 40c. in 1943. Final 1943 dividend is payable Dec. 20. The company earned $1.02 a share in 1942 after taxes, including the refundable portion of $15,000.

On April 8, 1943, 257 stores were in operation, of which 70 were groceterias and 187 service stores. Of this number 113 are located in Toronto and district, 41 in the vicinity of London and 35, 40 and 28 in Ottawa, Montreal and Halifax respectively. Present number of the company's stores is greatly reduced from the 1931 high of 572. Methods of merchandising have changed in many stores, resulting in increased sales volume per store. A program of modernization has had to be suspended because of the war. In 1939 a ten-year agreement was made with Thrift Stores and Stop & Shop, whereby Stop & Shop withdrew from Toronto and vicinity and Dominion Stores took over 40 of the Stop & Shop units.

Gross sales last year were larger than at any time in the company's history. Results for the current year cannot be predicted except in so far as the company is affected by the conditions applying to all retail food stores.

Fanny Farmer

During 1942 sales of Fanny Farmer Candy Shops increased by over 25%, but a reserve for estimated taxes of $2.3 millions, over three times that of the previous year, left profits somewhat lower at $2.25 a share. Final results of the tax levy may show an improvement in this result, since this level of profits is under that for any time since 1936.

Easing of the shipping situation promises sugar supplies will be more plentiful, but how this will affect company earnings is not known.

Organized similarly to the Laura Secord company, but on a much larger scale, this company at the end of 1942 was operating 298 stores and seven kitchens all in the United States. Earnings show a fairly steady earning capacity and a consistent record of expansion. Principal investment interest is in Canada.

Hunt's Ltd.

Hunt's Ltd. paid 50c. a share on its classes A and B stocks on April 15, 1943, first dividend since January, 1935. In 1942 the company earned 78c. a share on this stock, both classes participating equally as to dividends.

Since 1939 the company has carried out an extensive plan of modernization and alteration of its stores, and this work is now completed, at least as far as present plans go. Of its 33 stores—29 in Toronto — the company now operates 14 restaurants or tearooms, while the rest are engaged solely in the sale of candy, pastry and ice cream made by the company.

Jenkins Groc.

Jenkins' Groceteria, Ltd. operates a chain of 39 grocery stores in Alberta, together with a baking plant, coffee warehouse and fruit business. Head office is at Calgary.

The company earned 88c. a share on its common stock in 1942, after income taxes equivalent to more than this amount, the result of a considerable expansion in the company's business. No dividends have been paid on the common stock but preferred dividends are paid regularly. Working capital showed a further improvement last year to $396,128 compared with $372,173.

Kelly Douglas

Owner of the well-known brand name, "Nabob," Kelly, Douglas & Co. of Vancouver operates a large wholesale distributing organization with facilities for jobbing and wholesaling in Western Canada. In 1942 it extended its connection by purchase of Macdonalds Consolidated wholesale business in eight British Columbia cities. Remaining outlets in B. C. will operate to serve their own chain stores only.

Under the brand name "Nabob" the company manufactures and sells Nabob tea and coffee, and Nabob baking powder, flavorings, jelly powders, spices, puddings, etc. It also manufactures and backs other secondary brands and private labels.

Laura Secord

Laura Secord Candy Shops' annual report has been delayed and no information on earnings for the year ended Sept. 30, 1943, is available. Profits for the most part have remained unchanged despite the war. From 1940 to 1942 inclusive, earnings have exceeded slightly the present dividend rate of 80c. a share. Since the war increased sales have been offset by higher costs and taxes.

Some improvement in the supply situation has been noted in 1943. Industrial sugar quotas have been upped, and the cocoa supply improved correspondingly. This is expected to have less effect than would appear owing to a critical labor shortage. The company has continued to produce candy for the armed forces outside their quotas.

There are 85 Laura Secord Candy Shops in the larger cities of Ontario and Quebec, and two Studios in Montreal and Toronto. Business is on a strictly cash basis. Shops are leasehold. Principal candy product is chocolates.

Loblaw Groc. Inc.

Loblaw Groceterias, Inc., organized under the direction of the Canadian Loblaw system, is now entirely divorced from the latter. It operates 106 self-serve grocery stores in New York and some 15 in Pennsylvania, of which more than half have meat markets.

Shares of the company for the year ended Feb. 27, 1943, earned 90c. a reduction mainly due to higher taxes. Net trading profits were up slightly for the year. Dividends of $1 a year, paid at this rate for the first time in 1942, have been maintained in 1943. Head office of the company is in Buffalo, N.Y.

Loblaw Groc. Co.

Shortages in many lines, particularly luxury goods where larger margins are to be made, plus increased costs, ceiling prices and high taxes resulted in a reduction in net profits of Loblaw Groceterias Co. for the year ended May 29, 1943. Gross sales showed a drop of about $3.5 millions. Although sales were still the second highest on record, net earnings were lowest in any year since 1939. Net profits were lowest since 1935.

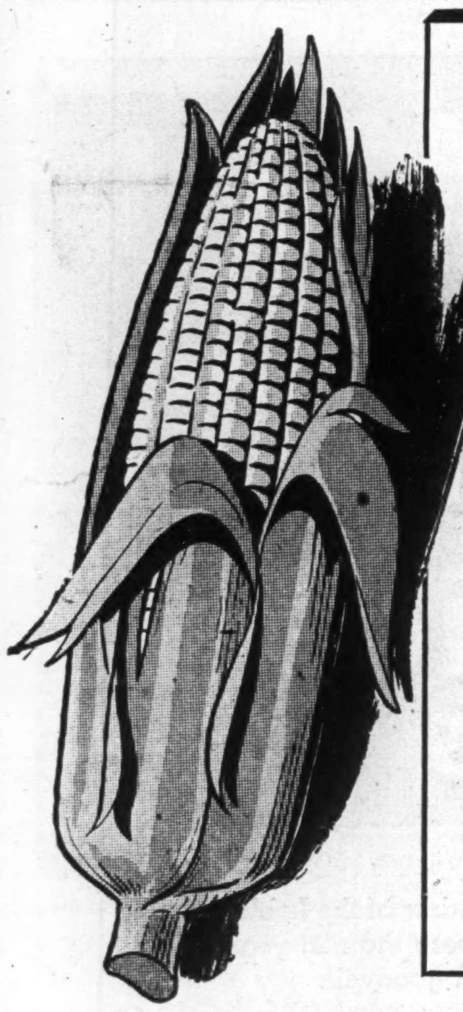
The company operates a chain of meat and grocery stores in Ontario, run on the self-serve system. Of 113 stores, 96 handle meat, fruit and vegetables as well as groceries. Fifty stores of the company are located in Toronto with seven each in Hamilton, Ottawa and Windsor.

It is expected that earnings for the current year will be maintained in comparison with last. For the immediate future, shortages in many lines, such as canned goods, are unavoidable, but it is impossible to predict what supplies of imported products and many types of domestic products will be available.

National Grocers

National Grocers Co. is the wholesale distributor of groceries through more than 18,000 retail outlets in Ontario. Besides 32 jobbing branches and warehouses, it operates a plant in Toronto which prepares and distributes spices, extracts, coffee, tea, etc. The com-

(Continued on page 23)



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Dairy Industry

Milk Sales Well Maintained

Balancing Between Different Dairy Products Difficult

Milk production in 1943 has so far shown a further increase over 1942, with six months' production of fluid milk being estimated at about 8% over 1942. Sales of fluid milk in 1942 amounted to about 3.9 billion lb., compared with 1939 output of three billion lb. Demand has risen so greatly that there is still what might be called a shortage although supplies are adequate for the country from a health standpoint.

Butter production is also up from 1942. For the first nine months of 1943 output of this product showed a 13.5% increase over the same months in 1942. This increase may include, however, an unknown overestimate, since subsidy payments for cream to creameries have reduced home production of butter. At the same time demand for creamery butter has appeared from persons who formerly manufactured their own.

Butter has been plentiful enough to allow for some export to Great Britain after ration quotas are filled. Relative production of butter, cheese and fluid milk cannot be controlled directly and effectively, except by price differentials. Butter subsidies were the first instituted and the result was a decline in the production of cheese by 23.9% for the first nine months of 1942. Fluid milk and cheese subsidies have followed in an attempt to obtain a proper balance between the three products.

Less Cheese Available

Some scarcity of cheese has appeared in the retail trade in recent months, but exports to Britain have been maintained satisfactorily.

Further difficulty has been found by the industry in distribution of scarce products, and in particular ice cream has been in short supply. Evaporated and condensed milk, too, serving as they do as substitutes for butter and whipped cream, and obviating the necessity of sugar for ice cream mix, have been in great demand. In order to ensure supply of this product for infants, invalids and children in remote areas, a system of priority purchases has been instituted.

Stocks of Eggs Low

It is believed that supply of eggs will be adequate throughout most of the winter, but they must come from current production. Stocks of shell eggs in storage on Oct. 1, 1943, amounted to only 357,499 doz. compared to 5.8 millions on the same date last year. Result has been that ceiling prices have been pretty consistently maintained. There are more pullets coming into laying this fall than ever before.

Stocks of butter are at present larger than last year, while cheese in storage has shown a reduction.

For the dairy companies, most of which are interested in all of these items as processors or distributors, or both, this picture suggests likelihood that sales volume will be maintained around current levels in the coming months. High sales volume has been an important factor in maintaining earnings, aided by steps taken toward simplification of such services as deliveries and types of products. With profits under a tax ceiling, however, there seems little opportunity for much further gains.

Acme Farmers

Acme Farmers Dairy is controlled by Eastern Dairies and will be consolidated with that company under the reorganization plan outlined in the review of Eastern Dairies. Under the plan holders of 7% preferred stock will receive $25 cash, $75 in 6% 15-year Dominion Dairies bonds and 1½ shares of new common stock for each share held.

The company operates a dairy plant, ice cream plant, two distributing depots and a store in Toronto, a powder and condensing plant at Napanee and a powder, condensing and cheese plant at Sydenham, both in Ontario.

For the year ended March 31, 1943, net profits were up considerably to give earnings of $7.06 a share on the preference stock, compared with $5.83 the year previous. No dividends were paid. Arrears amounted to $73.50 as of July 1, 1943.

Borden Co.

The Borden Co. Ltd. is a Canadian subsidiary of The Borden Co. of the United States. It distributes fluid milk and ice cream and manufactures and distributes dried milk and allied products in Canada and for export trade. Divisions of the company are located in Toronto, Ottawa, Hamilton, Windsor, Niagara Falls and Montreal.

Consolidated statement of the parent company for 1942 showed an increase in net profits to $8.4 millions compared with $8.2 millions in 1941. This represented a decrease in the return on sales from 3.2% to 2.6%. In Canada the company employs about 2,500 persons and has 1,292 stockholders, according to latest figures available.

Among the special products manufactured by Borden's are condensed and evaporated milk, cheese, dried fruit juice and other dehydrated products, and miscellaneous specialties.

Carnation Co.

Carnation Co. is an American company with its chief operations in the U. S. It has Canadian subsidiary operating plants in Toronto, Aylmer and Sherbrooke. Principal product of the company is its evaporated milk, but there is also manufactured a wide variety of milk products, cereals and commercial feeds.

In August, 1942, the company completed a refinancing plan by the sale of $2 millions of 4% and $4 millions of 3% 15-year debentures, to be used to liquidate bank loans and for an improvement in the company's general current position. After the payment of 5% dividends on the $2.9 millions preference stock the company earned $3.92 a common share in 1942, compared with $3.97 in 1941.

Crescent Creamery

Crescent Creamery Co. is only indirectly involved in the reorganization of the parent company, Eastern Dairies Ltd. Under the latter's reorganization, which will result in a change of name to Dominion Dairies Ltd., the company's interest in Crescent Creamery is separated and will be carried as an investment and returns will not be consolidated with those of the parent company as formerly.

At the end of March 31 last, Crescent Creamery recorded a marked improvement in operating profits—$156,894 compared with $61,788 in the 1942 fiscal year. After taxes net profit of $50,498 was equal to $5.05 a share on the preferred stock. This contrasted with $13,939 or $1.39 a share the year before. As a result of this gain the company declared a dividend of $4 a share on its 7% preferred stock, payable Aug. 15. This was the first payment since 1934 and, after giving effect to it, arrears amounted to $66.75 a share.

Dairy Corp.

Dairy Corp. of Canada is engaged in the manufacture and distribution of dairy products through wholly owned subsidiaries at Winnipeg, Regina, Saskatoon and Edmonton. For the fiscal year ended March 31, 1943, sales increased to $3.7 millions from $3.15 millions the previous year, yielding 69c. a share on the common stock against 45c. the year before.

The company paid the initial dividend of $1.25 on its preferred stock in April, 1943, and paid a further $1.25 on Oct. 1. Dividends do not become cumulative until the Oct. 1, 1944, payment. In 1939 the company was reorganized, reducing the funded debt in favor of preference and common stock and eliminating accumulated deficits. Since that year the company has made a net profit on operations.

There has been an improvement in financial position in recent years. Working capital has increased and bank loans have been paid. In August, 1942, the company issued $140,000 Purity Dairy 5% debentures to enable it to pay off bank loans and improve its cash position.

Eastern Dairies

Eastern Dairies' plan of reorganization has now been approved. Supplementary letters patent are being taken out and the name of the company changed to Dominion Dairies Ltd.

The plan undertakes a simplification of the capital structure, elimination of dividend arrears on the preferred stocks of Eastern Dairies and Acme Farmers, and conversion of Eastern Dairies' bonds from collateral trust to first mortgage bonds. The securities of Crescent Creamery owned by Eastern will be carried on the balance sheet of the new company as an investment and earnings will reach the new company, when available, as investment income.

Basis of Plan

At present Eastern Dairies has outstanding $2.5 millions of 6% collateral trust bonds, payable U. S., Sterling and Canadian funds. These will be exchanged for an equal amount of 6% first mortgage bonds with date of maturity extended to 1957 and payable in Canadian funds only.

Holders of the $2.5 million of 7% cumulative preferred stock will receive in exchange of each share and arrears of dividend one new 5% non-cumulative preferred share of the par value of $35.00 and three common shares of no par value.

The new common stock to be held by the present preferred shareholders of Eastern will represent 75% of the entire amount to be outstanding.

Holders of $700,000 Acme Farmers 7% cumulative preferred will receive for each share: $25 in cash and $75 in new 6% 15-year general mortgage bonds of Dominion Dairy and 1½ shares of new common stock.

The present 99,480 no par common shares of Eastern Dairies will receive 14,922 new no par common in the new company, on the basis of three new shares for 20 old shares.

Expect Net Profits

From available information the company reports it would appear that net earnings of Dominion Dairies Ltd., after tax, and elimination of non-recurring charges should be, on the basis of current business, between $85,000 and $100,000. From this amount must be deducted first mortgage sinking fund of 15% of net earnings, leaving the balance available for dividends.

Less Food In Cold Storage

Compiled from Dominion Bureau of Statistics Data
(Thousand pounds)

	1943 July	1943 Aug.	1943 Sept.	1942 Sept.
Butter:				
Creamery	41,178	61,643	74,733	48,747
Dairy	96	295	329	300
Cheese (not process or cottage)	43,474	51,135	49,187	71,700
Con. whole milk	15,125	17,160	19,202	27,036
Eggs:				
Cold storage*	2,464	878	654	11,034
Fresh*	2,940	3,628	2,965	1,572
Frozen	17,138	18,163	18,718	17,621
Poultry (dressed)	1,803	1,865	2,536	5,954
Pork (grand total)	49,923	45,928	42,362	28,428
Fresh (not frozen)	6,412	7,864	7,433	4,016
Fresh (frozen)	19,304	15,038	12,591	6,727
Cured or in cure	24,207	23,026	22,338	17,685
Lard	3,255	3,808	3,028	8,857
Beef (grand total)	14,199	13,324	15,314	8,326
Veal	5,071	5,246	5,295	3,334
Mutton and lamb	594	727	1,106	867
Fish:				
Frozen fresh	17,599	30,290	34,535	33,921
Frozen smoked	1,008	1,646	1,957	1,898

* Thousand dozen.

Indicated net available for dividends ranges from $72,250 to $85,000 against which dividend requirements on the new preferred amount to $43,750 leaving between 25c and 40c a share available on the common.

Edmonton City Dairy

Edmonton City Dairy Ltd. distributes dairy products in Edmonton and also through northern Alberta and the Canadian West. Principal operations are in Edmonton where it serves some 10,000 customers. Butter and ice cream are also manufactured.

The company was reorganized in 1939, the major objective being to lower preferred dividends by conversion into bonds at an interest rate of 5% and 5¼%. It publishes no statement of earnings since it is controlled by Dairy Corp. of Canada through ownership of all the common stock. As at March 31, 1942, working capital was down from the previous year by a small amount and earned surplus had increased from $16,605 to $29,173.

Highland Dairy

Highland Dairy is engaged in the milk distributing business in Toronto and vicinity with a capacity of approximately 30,000 qts. daily. Irregular payments have been made on the preferred stock, which is in arrears, the latest payment being $4 on April 2, 1943. Arrears at Sept. 31, 1943, amounted to $7.50.

Quinte Milk

Quinte Milk Products has maintained dividend extras of 10c. a share above the regular 20c. a year which it paid in 1942. Dividends were initiated in 1940 and in 1941 the first extra of 5c. a share was paid. The company showed a decrease in its net profit for 1942 to 39c. a share compared with 49c. the previous year. Earnings have shown substantial improvement over recent years however. Net earnings in 1942 showed an increase.

The company is engaged in the manufacture and sale of sweet cream, butter, ice cream, casein, milk sugar and albumen. Its main plant is at Wellington, Ont., with a subsidiary in Toronto.

Silverwood Dairies

Silverwood Dairies has recently expanded its holdings by the purchase of the Lindsay Creamery and Flavelles Ltd. plant in Lindsay, Ont. The company serves 80,000 customers a day, not including its newly acquired holdings, and in addition manufactures and distributes butter, cheese, ice cream, condensed milk, evaporated milk, powdered milk, buttermilk powder and other miscellaneous products. It sells eggs and assists in dehydration by breaking some 30,000 doz. daily.

Sales last year topped $10 millions, an increase over the previous year. After taking participating provisions into account both preferred and common shares earned 44c for the year ended March 31, 1943. These stocks share rateably as to dividends after 40c. (preferred cumulative dividend) has been paid on common.

The company operates a total of 26 plants in Ontario and buying depots at several other points. Dividends on the common stock were initiated in 1941, when the present rate of 20c. a share payable half yearly was started. Dividends of 40c. a year are cumulative on the common stocks, before preferred stock can begin to participate further, and arrears at March 31, 1943, amounted to $1.80 a share.

Toronto Dairies

Toronto Dairies Ltd. operates a co-operative dairy in Toronto. No dividends have been paid on the common stock and none on the preferred since 1932. No financial statement is published by the company.

United Dairies

United Dairies Ltd. distributes milk and dairy products through a chain of 20 creameries in Alberta and B. C. Sales in 1942 showed an increase of about 14% over the previous year but it is not believed that 1943 sales will have increased greatly. The company has an outstanding issue of 5¼% first mortgage bonds and is not paying dividends on either its preferred or common stock issues.

Canned Salmon Soon For Sale

Canadian consumers again will be able to enjoy canned salmon, which has been off the grocers' shelves for some time. According to W. A. Congdon, management service consultant of the WPTB, approximately one third of the pre-war domestic pack of canned salmon will be available to Canadian consumers within a short time.

Moreover, it is reported that Canada will soon embark on a national food conservation program, the object of which is to encourage housewives to make best use of available foods. This is in line with the recent announcement that for next year larger stocks of cereals and breakfast foods would be available, but less canned fruit and vegetables, jams and marmalades.

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Bread and Cakes

Bakers Are Pushed to Limit

Flour Plentiful But Labor, Other Materials Scarce

Growing shortage of labor in the past year has been one of the bread and cake industry's major handicaps. Today, women form a large part of most staffs, up to 50% in some cases. The women here have replaced men on the inspection line.

With demand for bread and bakery products sufficient to require all that the industry can produce at this time, the main limiting factor on profits in the baking industry seems to be excess profits taxes. Many ingredients, such as milk, eggs, sugar, fruits and nuts are in short supply, while labor is very scarce. There is plenty of bread flour, although the soft wheat flour for biscuits is getting scarce, and bakers have managed to maintain and increase output. The limit to such expansion, however, seems now to have been reached.

Important feature of the development of the baking industry in the past year has been the growing shortage of labor and the necessity of replacing vacancies with women. Now women form a large part of most staffs, up to 50% in some cases. Women are not used to any appreciable extent for deliveries. Most bakers seem to agree that they are doing very well, considering that they are replacing trained men. Part time work is utilized to a large extent, making some aspects of the problem more difficult.

Biscuits Hard Hit

One section of the baking business which is being hard hit is the field of biscuit manufacture. Supplies of soft wheat flour have practically disappeared and curtailment of operations has already been necessary. Experimental work is being done to try and develop hard wheat flour as a substitute, but results so far have not been entirely satisfactory. Several of the companies reviewed depend upon biscuit making for most, or a large part, of their income and the outlook for this section of the industry is not clear at the present time.

Restrictions by the Government have been generally tightened and increased in the last year, although sugar is an exception in which supplies have been increased from 70 to 80% of the 1941 consumption. On the other hand, further restrictions have been imposed upon the number of varieties of bread, cakes and rolls that can be manufactured by a single plant. Demand being what it is, this should have little, if any, effect on earnings.

Turn to Bakery Products

Worsening of the food situation, as made evident by crop and canners' reports, has caused more attention to be given to the baking industry, since only here is the basic ingredient—flour—not in short supply. Little help has yet been given through increasing allowances of materials to assure that a greater supply of bread will be forthcoming, other than by a greater sugar allowance.

Barker's Bread

Barker's Bread, manufacturer of bakery products for delivery to consumers and to retail and catering establishments in Toronto and district, reports sales limited only by labor and material shortages and profits will be comfortably maintained for the current fiscal year.

Dividends on the company's preference shares are at present in arrears $6.87½ a share. No indication has been given by the company of its intentions with respect to resuming dividend payments which have been discontinued since March 31, 1941. Approximate cost of a full year's dividend on the preferred stock would be $22,300, substantially below profits last year.

Barker's Bread will be affected by present shortage of soft wheat flour, particularly in the operations of its subsidiary, Manning Biscuit Co. It is a question whether supplies from the U. S. will be made available.

Canada Bread

Operating 16 plants and 62 distributing depots in Ontario and Quebec, Canada Bread Co. achieved record sales volume in the year ended June 30, 1943. Capacity to produce imposes the only limitation upon sales at present. The company's standard profit is understood to be about $350,000. This base would permit a maximum net profit of $245,000.

The past fiscal year saw the initial payment of a dividend of 10c. a share on the company's common stock, making total dividend payments for the year of $157,500. Further payments on the common stock (200,000 shares) must be accompanied by eight times the per share payment on the Class "B" stock (25,000 shares) under participating provisions.

The company is in good financial position with all funded debt retired and a working capital ratio of 1.17 to 1. This latter is, however, somewhat lower than has been customary. A reserve of $100,000 has been set aside for postwar rehabilitation of plant and equipment, which has depreciated during the war without proper replacement being possible.

Canada Bread has perhaps resorted to the employment of women in its plants to a greater extent than most other bakeries. Officials state that their work has been highly satisfactory.

Consol. Bakeries

Dividends of Consolidated Bakeries for 1943 amount to 70c. a share. Dividends of 60c. a share were paid in 1942 and 70c. in 1941. Former rate of $1 was reduced in April, 1941, due to a drop in profits in that year. Profits in 1942, however, had recovered to well above the 1940 level.

Consolidated owns and operates, through a subsidiary, 12 bakeries in Ontario and Quebec. Individual bakeries are held through the wholly owned subsidiary, Wonder Bakeries. Net earnings of the company have risen steadily since 1940, the 1941 fall in profits being due to increased income taxes. Increase in net earnings in 1942 were sufficient to offset a further rise in taxes. Management shares of Wonder Bakeries are owned by Ogilvie Flour Mills.

Canadian Bakeries

Recently published report of Canadian Bakeries showed earnings of six cents a share on the common stock, a reduction from the previous year due to increased income tax payments. Operating profits were up substantially.

The company operates manufacturing, wholesale and retail facilities in the principal cities of British Columbia, Alberta and Saskatchewan, and is controlled by Maple Leaf Milling. Although working capital was down considerably as of Aug. 1, 1943, due to large income tax provisions, the company's bank loans were cut from $293,667 to $66,300.

The president reports that large expenditures will be necessary after the war to repair and replace equipment that cannot be maintained under present conditions. A substantial sum will be accruing to the company after the war in the form of refundable excess profits taxes. Refundable portion to date amounts to $48,597 ($46,346 during past year).

Christie, Brown

Christie, Brown & Co., subsidiary of National Biscuit Co., operates a large wholesale marketing system for biscuits, bread and cakes. Bakeries in Toronto and Winnipeg are devoted to the manufacture of biscuits and a further unit in Toronto turns out bread, cakes and biscuits for distribution in Ontario and the Montreal area.

There is no investment interest in the company except through National Biscuit. Operations of the biscuit manufacturing plants will be affected by the shortage of soft wheat flour and other ingredients.

David et Frere

Rationing of supplies has made for lower sales volume for David et Frere with a consequent falling off in their profits. This condition arose last year and carried through into the current season. At this time prospects are for an even tighter supply situation.

During the year ended March 31 last the company experienced a drop of 21% in sales volume compared with the year before. This resulted in reduction of net profits from $61,081 to $51,209, or $2.22 a share as against $2.83 a share for the 1942 fiscal year.

Financially the company has been able to maintain its position and even improve its net working capital position. Against a falling-off in inventory at the end of last March, investment showed an increase, while bank loans were liquidated.

Eastern Bakeries

Eastern Bakeries operates a chain of bakeries in the Maritime Provinces and is controlled by Maple Leaf Milling, which owns 1,000 of 5,000 preferred and 25,001 of 30,000 common shares of the company. The preferred stock is entitled to cumulative dividends of 6½%, guaranteed by Maple Leaf to Jan. 15, 1944.

Units of the company are at Saint John, Moncton, Fredericton and Campbellton, N.B., and Sydney, N.S. The head office is in Saint John.

Inter City Baking

Inter City Baking Co., in which Lake of the Woods Milling Co. is a large shareholder, continues to make excellent progress and is in a strong position financially.

Net earnings for the fiscal year ended Jan. 31 last totalled $576,929 compared with $391,594 for the previous 12 months. Income tax reserve increase more than offset the gain in profits, with the result earnings per share of $5.12 compared with $5.43 in 1941-42. However, in view of the strong position of the company a bonus of $1 a share was paid on the common stock last January. This was in addition to the regular dividends and was the first extra payment since issuance of the stock.

Over the last four years there has been a consistent improvement in financial position. Cash and government bond holdings currently at the highest level since the company was incorporated, while the funded debt has been reduced to less than $950,000 as compared with the original issue of $1.6 million in 1928.

McCormick's Ltd.

McCormick's Ltd. is a subsidiary of George Weston and manufactures plain and fancy biscuits, ice-cream cones, confectionery and allied products. Its plants are in London, Montreal, Winnipeg and Edmonton, with distributing units in Halifax, Moncton, Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Fort William, Winnipeg and Vancouver.

Investment interest in the company is confined to its funded debt. This consists of $156,000 4½% prior lien bonds and about $1.2 million 4% mortgage bonds. Both issues are due July 1, 1952, and are guaranteed by the parent company.

Moirs

Wartime conditions have boosted sales and earnings of Moirs Ltd. to the highest point in the history of the company. Net profit in 1942 totalled $130,999, almost double that for 1941 and well above the previous record figure of $78,836 set up in 1930.

Labor and supply problems are uppermost just now, but simplification of production methods and stretching of raw materials have resulted in the company's present fine showing.

An abnormally large influx of service men to Halifax, where the company's plant is located, plus a sharp increase in demand from other areas served, has given the company all the business it can possibly handle. Were the supplies available, together with the labor, there is no doubt but that the company could further increase production.

Financially the company has been able to record a very marked improvement in its position. Since 1938 net working capital has improved by 72% to $865,829. Bank loans of nearly $500,000 have been liquidated; the funded debt reduced by roughly $25,000 and the earned surplus increased from zero to $252,946.

Viau Ltd.

Shortage of supplies is holding down operations of the biscuit manufacturers and sales of Viau Ltd. have been affected like those of all other manufacturers. There is no lack of demand, but without materials it has been impossible for the operators to take full advantage of the situation.

It is still too early to forecast the outcome for the year, as a large proportion of the company's business is done in the last quarter. In view of the supply situation, however, indications are that the financial statement for the year ended next January will show no material change.

In the 1943 fiscal year the company showed a slight gain in gross profit, but after taxes, net profit was moderately lower, though the preferred dividend was still covered by a comfortable margin. Financially the position of the company underwent an improvement last year. Cash was considerably better, while inventories were maintained and a bank loan of $70,000 liquidated.

George Weston

Earnings of George Weston Ltd. in the year ended Dec. 31, 1942, were up substantially from the previous year, while sales were up very considerably. Income taxes of $1.1 million were paid to leave a profit of $698,729. Refundable excess profits taxes of $71,895 had accumulated at the end of last year.

Interim report for nine months this year shows net operating profit almost double the 1942 period and net after taxes equivalent to $1.10 a share on the common instead of $1.02 as shown for 1942.

Shortage of soft wheat flour, on which the operations of Weston's have largely depended, may have considerable effect, though the use of hard wheat flour will undoubtedly be largely resorted to even at the expense of a somewhat inferior product. This applies only to biscuits and cakes and not to bread, of which the company is a large producer.

The company is engaged in the manufacture of fine biscuits, bread, cakes and confectionery in Canada and United States. Plants are at Toronto in Canada and at Passaic, N.J., Salamanca, N.Y., and Battle Creek, Mich. Subsidiaries operate other plants across Canada and a wide distributing organization is maintained.

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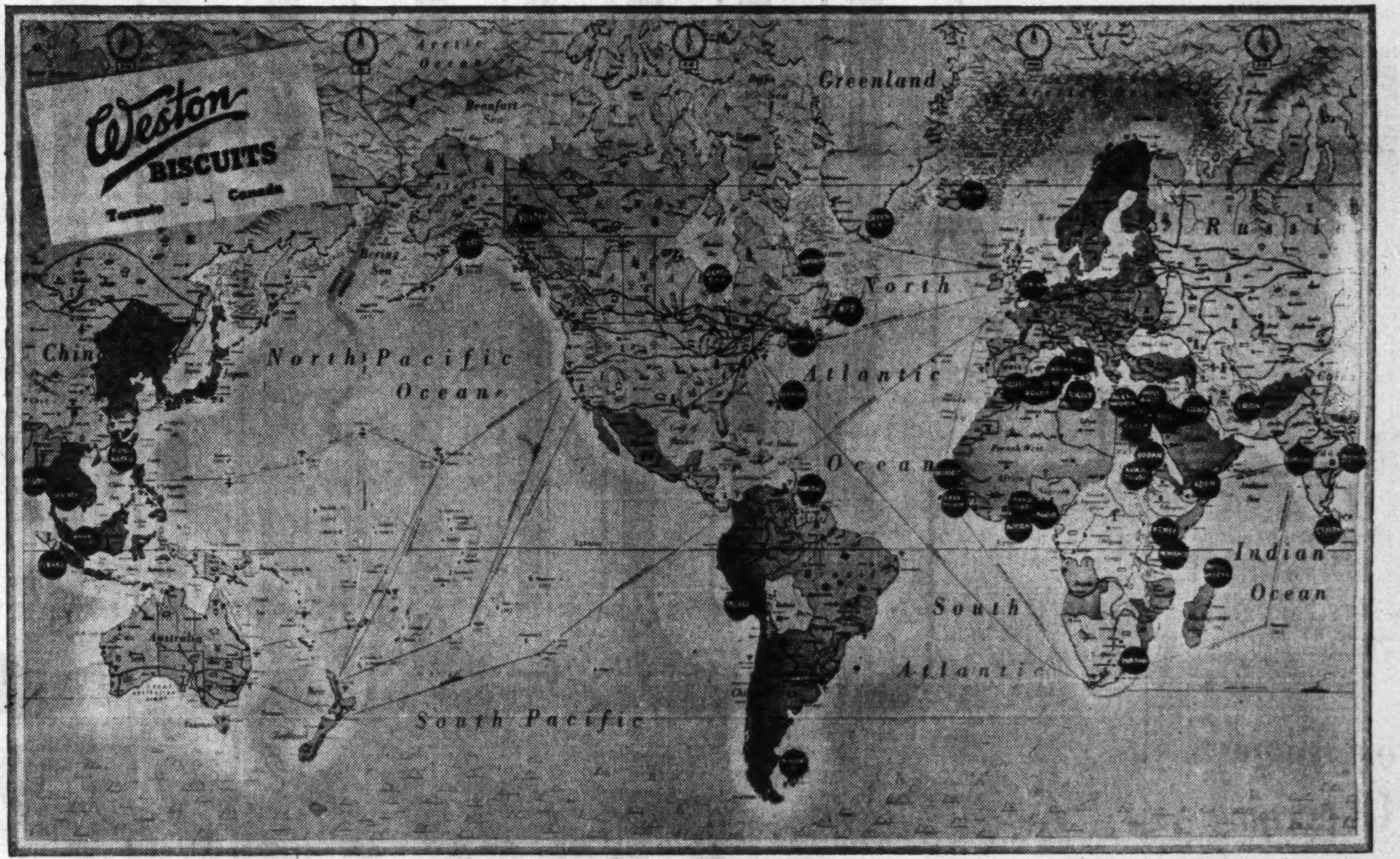

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ENGLAND
FALKLAND
FREETOWN
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IRAQ
IRAN
JAMES BAY
KHARTOUM
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GEORGE WESTON LIMITED, TORONTO, CANADA

Ontario Sugar Acreage Is Cut 75% Since War

Sugar Beet Industry Calls For Abundant Hand Labor For Thinning and Harvesting — Competitive Crops Also Factor in Decline

In the last four years acreage of sugar beets in Ontario has declined by more than 75% and the sugar produced has dropped in proportion. One of the two sugar beet refining plants in the province has been closed and the other is operating at less than half capacity.

This contraction in the production of a vital wartime food is attributed almost entirely to two factors; shortage of labor and price of competitive crops. Unless some drastic remedy is forthcoming before the new farm acreages are established early this winter, the trend is expected to continue.

Concentrated Industry

Ontario's sugar beet industry is concentrated largely in the southwestern part of the province. Processing plants, at Chatham and Wallaceburg, are owned and operated by Canada & Dominion Sugar Co. which also owns a sugar refinery for imported cane sugar at Montreal.

To keep the two beet plants operating at capacity, a crop of 400,000 to 450,000 tons would be required which in a normal year would be produced from an acreage of between 40,000 to 45,000. Such production was almost reached in 1940, but it has shrunk greatly since then as the following table indicates:

SUGAR BEET OUTPUT

Year	Acres of Beets	Sugar output million lb.
1940	38,000	98
1941	32,000	86
1942	20,700	59
1943	9,000	20

Labor Difficulty

When Napoleon started the business of large scale sugar-beet growing in Europe in an effort to offset the British naval embargo, the fact that huge amounts of hand labor were involved presented no great difficulty. But it does now. There has been some improvement in the production of sugar-beet growing in the last century and a half but the job still requires an immense amount of hand labor. The crop has to be thinned and harvested largely by hand and hands are scarce in Ontario, especially in wartime.

Gross returns to the farmer of roughly $10 a ton, or $100 per acre in an average year, compare favorably with other southwestern Ontario crops like corn, soya beans, grain, etc. That return, however, after labor is paid is another story. Corn, soya beans and grain are handled almost entirely by machinery. It is not necessary, as with beets, to hire large gangs of seasonal labor during certain stages of production.

Two Essentials

To restore maximum production of sugar beet acreage in Ontario, spokesmen for the industry argue that two things must be guaranteed.

1. An adequate supply of seasonal labor for thinning, harvesting, etc.
2. A net price to the farmer equivalent to that of other crops grown in the area.

The first condition can only be met by action of National Selective Service, it is stated, and the second by higher sugar prices or sugar beet bonuses.

In neighboring Michigan, U. S. Government benefit payments to farmers have raised beet prices to the growers to $11.50 per ton as compared to $10 in Ontario. Despite this higher return, however, sugar beet acreage in the United States has declined substantially since the beginning of the war though not yet as drastically as in Ontario.

Industry spokesmen state that any price guarantee must cover at least a full growing and harvesting year. Normally, contracts are signed with the growers in January and February and the prices guaranteed then are paid when the crop is delivered the following October and November. When sugar collapsed a year or two after the first Great War huge sums of money were lost by sugar beet factories which had contracted at guaranteed prices many months previously for the crop.

Different in Western Canada

Western Canada sugar beet companies, it is understood, are still running at capacity. Reasons cited are as follows:

1. Cheaper land.
2. Absence, because of climatical reasons, of large scale production of high-priced competitive crops such as soya beans and corn.
3. Longer freight haul from either coast eases price competition from cane sugar.

Western sugar-beet growing is concentrated in southern Manitoba and southern Alberta. The industry in Alberta has been in operation for a considerable time and is largely based on irrigated land. In Manitoba sugar-beet growing on a commercial scale only got started just before the outbreak of the war.

Frost Bogey Is Overcome

A paving bugbear in regions with severe winters is surface scaling on concrete roads and airport runways. It causes impairment of waterproof finish by the actions of frost and the salts commonly applied for ice removal.

"Air-entraining" cement is the most promising improvement to date, The Financial Post is told by men prominent in these fields. In Canada the material is being specified by some provincial highway departments and other big users of paving concrete. The scale of use indicates it is progressing beyond the experimental stage and results are called encouraging.

To make it, a small proportion of resinous or fatty material is added. Beef tallow and fish oil stearate have been tried but the ingredient favored is Vinsol resin (petroleum-hydrocarbon insoluble fraction of a coal-tar-hydrocarbon extract of pine wood.)

It seems the relatively little Vinsol resin in the bag of cement introduces into a concrete mix a maze of tiny and well distributed air bubbles, gives increased workability with less water and no "bleeding."

Main cause of surface scaling, it is explained, is too much water in the mix, much of which rises to the surface and weakens it by stratification. Enablement of a drier mix therefore is the chief contribution of "air-entraining" cement. The bubbles also provide for expansion and contraction of the slab under frost action.

Food Supplies Grow Tighter

(Continued from page 15)

has also grown. Turkeys due to a wet spring and summer are expected to be somewhat scarcer than a year ago.

IMPORTED FOODS

Japanese aggression in the Far East has greatly curtailed the output of many spices. U. S. importers had huge quantities and up to date they have been more than sufficient for both U. S. and Canada.

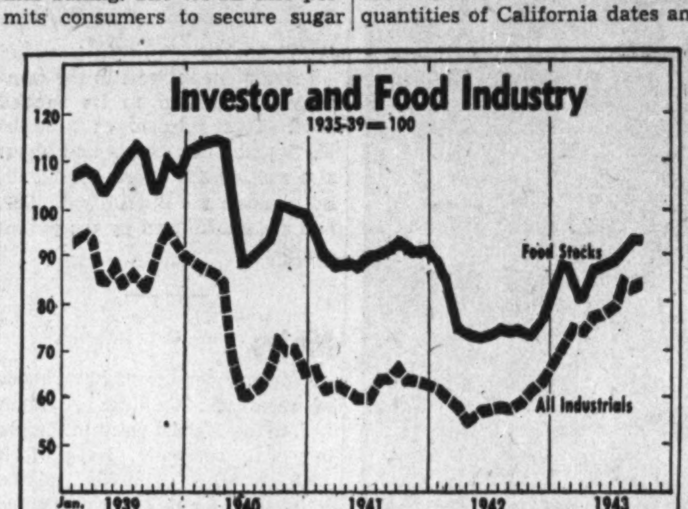
Spice millers in this country have been limited to the sale of seven items for regular civilian consumption. Pepper is the most important and in the last half of 1943 millers may supply no more than 50% of the pepper they sold during the last six months of 1941. There are also reductions in cinnamon, cloves, mace and nutmeg.

Tea and coffee imports have been speeding up this year. To end of August we had taken out of bond some 12 million lb. more green coffee than in the corresponding 8 months of last year and about 1.5 million lb. more tea. Statistics indicate there are no shortages in either of these products and hence the easing up in the rationing.

Oranges have been scarce but have a brighter import future. The California fruit that has been selling is the valencia whereas navels will be arriving on Canadian markets towards the end of November. Valencias available beginning Oct. 2 showed a reduction of 59%. But the California navel crop is estimated at 33,000 cars, well above that of a year ago. If nothing unforeseen happens and labor is available our winter supply of navels will be substantial and it will be augmented by Floridas. The big grapefruit import season is also near and we should secure fair shipments.

No figures are given out on raw sugar imports but the trade understands they are substantial since the U-boat sinkings in the Caribbean declined. Industrial users are now being permitted 80% of their 1941 usage against a former 70% quota and extra sugar for Christmas baking. The WPTB also permits consumers to secure sugar with their preserves coupons, all of which indicates that the stockpile has been built up considerably. A further easing in consumer rationing restrictions would not be any surprise.

Imports of nuts are practically at a standstill although we have been getting some Mexican and African peanuts for peanut butter. Restrictions are still on against imports of non-British canned fish, such as sardines, shrimps and tuna, and against all kinds of canned fruits and vegetables. Little olive oil is arriving and no confectionery, biscuits or jams from the United Kingdom or the U. S. A. We will receive small quantities of California dates and figs but none are expected from Iraq and Turkey.



Market prices for the shares in the D.B.S. index of foods and allied products have held above other industrials throughout the war but have lagged in gains made since early in 1942.

FOOD MERCHANDISING

The all-over Canadian food supply picture is becoming less attractive to distributors. The weather has combined with labor shortages on farms and in processing plants, along with unattractive fixed maximum prices on many products, to curtail supplies at a time when they were badly needed in view of enlarged overseas commitments. One example of this is the short packs of canned vegetables, fruits and jams already mentioned.

WPTB has long since got away from base period ceiling prices on many foods and established higher prices with maximum markups. Exceptions to the higher maximums are several foods in the cost-of-living index which were officially reduced by subsidy. Milk, butter, oranges are examples.

In most instances, however, retailers can only use the maximum markups stipulated by the Board if they secured them in the base period. This meant if they took less at that time, they had to stick with them. This was all right when more foods were fairly plentiful, but not so today when a long list of shortages exists.

It is going to be a problem for merchants to maintain sales next year as the merchandise won't be available. This is one reason why they like to take the Board's fixed maximum markups regardless of the base period—in fact they are allowed to do this on several products now.

Rationing has meant a heavy cut in sales of the foods so controlled, as they have mostly been volume items. Tea sales in first year of rationing were down close to 50% and coffee 15%, with sugar sales through grocery stores greatly curtailed. The increase of a third in the tea and coffee rations some weeks ago and the possibility there will be an open market soon will help considerably. There may even be an easing in the consumer sugar quota so that some of the lost business will be recovered.

Retailers' sales so far have not suffered greatly. But the net profit picture has not been so good. Grocery distributors have lost most of the longer margin items because of Government import and other restrictions and, unless they have been able to cut overhead correspondingly, they have run into losses or reduced profits.

IMPORTED VEGETABLES

Cost of subsidies may preclude the setting of maximum prices on imported vegetables this coming winter. Shortage of labor in the U. S. is boosting costs especially when they are none too plentiful. Early in 1943 housewives were paying 50c. for a cabbage and 65c. for a cauliflower and it looks as if they may have to do the same again if they want these products.

With prices in the U. S. farmer markets high it would be unwise to fix prices of imported vegetables at a reasonable cost for the Canadian civilian without heavy subsidies. Sometimes, for instance, tomatoes may be 5c. or 6c. a pound and in two or three months, 30c. It may mean some readjustment of what Canadians eat this winter unless willing to ignore prices.

BREAD AND CAKES

Bread and cake manufacturers have had a fine year. Costs have been higher but volume has increased so much that these higher costs can usually be absorbed. House to house delivery is an important overhead expense for bakers but it costs little, if any, more to deliver $400 worth of bakery products a week than $200 worth. In larger centres deliveries are still being made daily but in some of the smaller ones only twice a week.

Bakers are paying no more for their flour than they did in the base period. The labor problem with bakery firms has been an important one but most of them seem to have overcome it.

Standardization has been a big factor in this regard. WPTB has limited types of bread and they concentrate on those with the biggest volume. Similarly, the cake business has greatly increased. Most of the baking firms have standardized the types of cakes, cutting anywhere from 15 or 20 down to four or five. This has permitted a volume business in the fast turnover items and those that bake the quickest.

Bakeries are getting along as far as possible with the equipment at hand and here again costs are kept down. The future of the bakery business appears to be as good as the past year. Standardization and reduced delivery cost should continue to be a benefit.

THIS MONTH
DOMINION STORES PASS THE
400,000,000
DOLLAR MARK

What this means to DOMINION STORES CUSTOMERS

Only by serving the best interests of the public could such an imposing sales figure become a reality.

Four hundred million is a lot of ANYTHING. As Dominion Stores' 24-year business total, it represents billions of food items—located, purchased, transported, received, inspected, classified, priced, stocked and distributed to thousands of homes.

$400,000,000! An astronomical figure almost beyond the range of human imagination. Expressed as a four and a row of ciphers, it conveys mighty little. But, in terms of the advantages this huge volume makes possible, it means plenty.

Volume like this *serves Canada.* The vast and speedy distribution facilities of over 250 Dominion Stores are an invaluable service to the country. Within a minimum of hours Dominion Stores, cooperating with growers, rush fast-ripening foods to the consuming public. Thus our great food distributing organization, in helping to eliminate waste, is making "extra" amounts of food available.

Volume like this *saves you money.* So much food passes over our counters every day that we can afford a smaller margin of profit on every item, even after our volume buying and efficient store operation has given us substantially lower costs from the start.

Volume like this *improves service.* Because so many people buy so much at Dominion every day, our stores are planned and equipped by our own expert to help you get the things you want with the greatest ease and speed. Carefully-trained salespeople look after you with a courtesy and dispatch which are all the more remarkable under the wartime conditions of today.

Volume like this *protects quality.* Because stocks turn over quickly our foodstuffs are FRESH. Dominion Stores' expert buyers select only quality foods and Dominion Stores' specialized facilities protect that quality until you buy.

Dominion Stores are gratified to think that they have merited customer confidence to this vast extent.

Dominion Stores are even now post-war planning—planning more modern store facilities, more specialized training of salespeople. Our aim is to give service that is constantly a step AHEAD of these progressive times.

DOMINION STORES LIMITED

Your DOMINION Store

Export and Domestic Needs Heavy

Manpower Supply Limits Effective Capacity of Canadian Mills

Much of the flour miller's activity springs from heavy export demand as in the case of Britain which has placed orders for a million tons of flour this year. Shown here is a worker removing bags of flour from storage.

Canadian flour mills have been operating at the peak of their effective capacity and will continue to do so for some time to come. The only restriction on output is manpower. This condition is common to all millers.

Record employment and high purchasing power has boosted domestic sales of flour. Exports in the last crop year—12.7 million bbls.—were the highest ever reported in the history of the industry.

Night and day, seven days a week, the mils have been going all out. There has been no let-up, nor is there any sign of easing off in demand. Britain has placed an order for a million tons of flour to be delivered during the current crop year. This is approximately the same tonnage as ordered last year. In addition, there are prospects for heavy shipments to liberated countries which, together with the requirements of the army in the field, should ensure a heavy export trade for at least the next two years.

Other Demands Exist

Moreover, there are demands from other sources which cannot be filled. If productien were available, heavy shipments could be made to Russia under lease-lend arrangements. But there is little likelihood of that for the time being.

The job of the millers is further complicated by the wartime alcohol program. The flour supply, at least that portion of it for edible purposes, is affected by the manufacture of a special flour to be converted into alcohol by the distillers.

Two large mills, Ogilvie and Robin Hood, are understood to be supplying this special type to the distillers at a rate which runs into several hundred thousand barrels a year. This is an emergency product. The flour replaces molasses. Once the latter is available, the millers will discontinue manufacture of this special flour, but as long as molasses is not available, a large amount of the industry's capacity will be given over to this purpose.

Maintenance a Problem

With operations as they have been and are likely to be for some time to come, one of the problems confronting the industry is how to maintain efficiency. Continuous operations have made it impossible to maintain machinery and equipment as efficiently as would be desirable under normal conditions. With demands as they are, there is little or no prospect of shutting down, except for absolutely essential repairs. Wear and tear on equipment is accelerated and the industry is building up for itself a huge amount of deferred repairs and maintenance.

New Tax Arrangement

Aside from operations, one of the most significant developments of the past year was the arrangement entered into between the millers and the Dominion Government.

As from Aug. 1 last, or from the beginning of the current crop year, the millers have the option of surrendering the 20% refundable portion of the excess profits tax, while in receipt of stabilization funds under price ceiling legislation.

Under existing arrangements the millers are permitted to draw down wheat from the Canadian Wheat Board at 77⅜ cents a bushel. They pay the market price for the wheat, now $1.25 a bushel, but the difference is refunded to them under special arrangement with the Government. This is necessary in order to permit the manufacture of flour and its conversion into bread which can be sold at or under the price ceiling.

Under the new arrangement, millers have the option of retaining the 20% refundable portion of the excess profits tax or of continuing the arrangement already in effect as regards the price of wheat.

The net effect of this arrangement is to leave the profit earning position of the millers practically unchanged. The amount drawn down from the stabilization fund practically equals the sum which would ordinarily have to be paid under the excess profits tax legislation. The only difference, therefore, is elimination of the refundable portion of the tax, which some companies have surrendered in return for protection on the price of wheat.

Inter. Milling

In September of this year shareholders of International Milling approved reduction of annual dividend rate on the company's 5% preferred stock to 4% by the issue of new 4% preferred stock on an exchange basis of 1.05 new for 1 old share. The redemption price of the new stock will not be $105 as formerly but $100 plus a premium of 10% to Oct. 15, 1947, the premium to be reduced $1 a year each year thereafter until Oct. 16, 1951. After that the premium will be $5 a share. From the regular Oct. 15 payment of $1.25 a share the rate will be reduced to 4% a year.

The company operates in Canada and United States, mainly for the domestic market, and produces flour, rolled oats, chick and poultry feeds and other by-products of the milling business. It operates in Canada through its wholly-owned subsidiary, Robin Hood Flour Mills, which has patents located in Alberta, Saskatchewan and Ontario. The company's common stock is privately held. Dividend payments on it have been irregular in recent years. The company has had a consistent record in its payment of preferred dividends, due largely to the domestic nature of its business and consequent stability of the market.

International milling has at present 12 mills in Canada and United States, four of which are in Canada.

Lake of the Woods

Current operations of Lake of the Woods Milling Co. are ahead of those for the like period a year ago. Export volume continues heavy and, according to President F. S. Meighen, this, combined with prospects of shipments to liberated countries and requirements of the army in the field, should provide an exceptionally heavy volume of business for at least two years.

For the year ended Aug. 31 last the company reported a net profit of $341,134, compared with $517,059 the year before. The drop was entirely due to substantially heavier provision for income and excess profit taxes.

Give Up Tax Refund

Along these lines the milling industry entered into an arrangement with the Government whereby it surrendered as from Aug. 1, 1943, the 20% refundable portion of the excess profits tax while in receipt of stabilization funds under price ceiling legislation.

The company had been given the option of claiming the 20% refund or of retaining the drawback. It was felt that the margin between the 77⅜ cents price for wheat to the company and the established level of $1.25 would ultimately be more beneficial to the company.

Maple Leaf Milling

Maple Leaf Milling is operating practically at capacity, and although no report has as yet been issued for the year ended July 31, 1943, an improvement in operations is expected. The year previous earnings were equivalent to $3.92 a share on its preferred stock. A refundable portion of profits, not available until some time after the war, will be accruing to the company.

Besides its milling business, Maple Leaf controls three important baking companies, Canada Bread, Canadian Bakeries and Eastern Bakeries. Operations of these baking companies have improved and Canada Bread paid an initial dividend of 10c. on its common stock, held by Maple Leaf, in July of this year. Improvement has also been shown in the company's feed business.

The company owns four flour mills, of which three are in operation, with a total daily capacity of 16,500 tons; two feed mills; a bag mill; two country elevators and bakeries. Its subsidiaries consist of the bakeries mentioned above and Hedley Shaw Milling Co., The Campbell Flour Mills Co., Dominion Bakeries and Port Colborne & St. Lawrence Navigation Co.

Ogilvie

Demand for flour and feeds, both for export and domestic markets, will continue to tax Ogilvie Flour Mills facilities to the utmost for some time to come, says Hon. Chas. A. Dunning, president. At the same time the amount of grain in farmers' hands ensures steady operations of elevator facilities.

In common with other milling companies, Ogilvie reports deferred maintenance is accumulating heavily because of the excessive wear and tear on machinery due to present operating conditions. With this in mind, the company is proceeding with the next stage in the modernization of flour milling facilities at Montreal; with completion scheduled after termination of the war.

During the fiscal year ended last August, the company reported an increase in both gross and net earnings, with profits available on the common stock amounting to $1.44 a share, as against $1.12 a share the year before. The financial statement does not indicate whether or not the company has accepted the Federal Government proposal to the milling companies of giving up the refundable portion of the excess profits tax in exchange for the present subsidy to maintain ceiling prices. The latter would provide the company with wheat at 77⅜ cents, as against the present market price of $1.25 a bushel.

Feature of the financial returns for the past year, aside from the sharp increase in inventory values, was the marked gain in value of investments. Against a book value of less than $3.8 millions, investments are shown as having a market value of $9.1 millions. At the end of August, 1942, book value of investments was $4.4 millions and market value $7.2 millions. The gain represents an increment of over $3 a share in the book value of the common stock.

St. Lawrence Flour

St. Lawrence Flour Mills plant operated at full capacity throughout last year. Present demand for flour from abroad is of record proportions and from all indications will remain so for some time to come.

Net operating profits in the last fiscal year at $129,512 were roughly the same as the year before. This was after making provision for higher taxes.

Earlier this year the company purchased Maritime Mills Ltd., of Saint John, N.B. The new subsidiary will be operated under the same corporate title.

Because of the almost continuous operation of the company's mill, due to heavy export demands, D. A. Campbell, president of the company, said it has been impossible to maintain machinery and equipment in as high a state of efficiency as normally. It is hoped, however, that some provision out of present earnings may be allowed by the Government to permit repairs and maintenance, now deferred, to be carried out after the war.

Western Canada

Recently published annual report of Western Canada Flour Mills showed profits for the year ended July 31, 1943, insufficient to cover preferred dividends. This was excluding, however, $180,000 refundable excess profits taxes, which is considerably more by itself than the immediately available net profits for the year.

The company, which is engaged in the milling, baking and feed business, announced that refundable excess profits tax will be substantially less next year since some of it must be foregone in consideration of stabilization funds received from the Government by the milling industry. Due to the varied nature of the company's activities it is impossible to say, at the present time, just how much of this refund will have to be given up.

The company reports improvements in the operations of its subsidiary, Purity Bakeries, with bank loans reduced and current assets increased.

Capacity operations have been the rule with consequent rapid depreciation of equipment. Since only urgent repairs or replacements are possible the company may be liable to considerable expenditures after the war.

No dividends have been paid on the preferred stock since March, 1931, and arrears at Sept. 1, 1943, amounted to $63.12½ a share.

Estimate Food Reserves Huge

United Nations' planners see approximately 60 million tons of food in sight for the relief of the starving world once shipping is available. Approximately 10% of this would come from the United States and the balance largely from the other American countries and Australasia.

It is estimated that there are approximately a billion bushels of wheat available for export in Canada, the Argentine and Australia, 1.5 million tons of sugar in Cuba, huge stocks of coffee in Brazil and heavy quantities of vegetable oil — largely peanut, palm and olive—in Africa, Ceylon, and Latin America.

Fresh or dehydrated vegetables and citrus fruits are now becoming available in North Africa. It is expected that considerable storage stocks of rice might be taken over with the recapture of the Jap's new empire and that also additional vast quantities could be grown within a year after such conquest.

Sea-Power!

Not all the Empire's sea-power speaks from the mouths of firing guns.

Great, silent schools of North Pacific salmon are supplying another form of power . . . the power of nutritious food.

Chemists have shown that the oil in canned salmon is as rich in vitamin "D" as high-quality cod-liver oil.

That is why millions of cases are moving to Britain and Empire fighting fronts . . . a fact worth remembering in times of peace.

CLOVER LEAF
FANCY RED SOCKEYE
SALMON

CLOVER LEAF Salmon

BRITISH COLUMBIA PACKERS LTD.
Vancouver, Canada

C.L.S. 12

Christie's High Quality MAINTAINED...

Christie's
1853

through

90 YEARS OF PROGRESS

in Peace and War

In peacetime, back in 1853, Christie's Biscuits were first made in a little shop in Toronto, since expanded to three large bakeries in Toronto and Winnipeg.

In wartime, in 1943, Christie's are still producing immense quantities of biscuits for the trade, and, at the same time, shipping tons of Christie's Biscuits overseas to our troops, and to prisoners of war, through the Red Cross.

The high quality of Christie's Biscuits is maintained, *and they are equitably distributed to the trade and public.* Due to wartime restrictions, some fancy varieties have had to be discontinued, but when Victory is won, again there will be "a Christie Biscuit for every taste".

CHRISTIE, BROWN AND COMPANY, LIMITED

Buy
WAR SAVINGS
STAMPS
Regularly

Christie's Biscuits

"There's a wartime duty for every Canadian"

"Cheer up, Elmer, things could be a lot worse!"

"WHAT is there to be happy about?" grumbled Elmer, the bull. "The whole world's in a mess. What do you want me to do—break into cheers?"

"That would be a wonderful idea," approved Elsie, the Borden Cow. "Think of the things we have to cheer about. This year may not have been a picnic, but it hasn't been so bad. We've had each other, we've had enough to wear, and we've had enough to eat."

"Now that remark," said Elmer mischievously, "gives you a good chance to talk about milk."

"And why not, dear?" smiled Elsie. "Milk and milk products were placed at the top of the list of essential health-protective foods in Canada's Official Food Rules."

"What's more," Beulah chimed in, "Borden's milk is so good, I'm not surprised."

"Neither am I," boomed Elmer. "And people here in Canada are lucky they can get enough good food."

"Of course, we are," agreed Elsie. "Mind you, we can't afford to waste anything, but proper distribution of food is making sure that everybody gets a fair share. It just takes more careful planning and shopping to feed the family now."

"By golly, you've got something there," admitted Elmer. "And if you women can go to the trouble of finding food and serving it in an appetizing way, the least we can do is to eat up and shut up!"

THE BORDEN COMPANY LIMITED

194

© The Borden Co. Ltd.

Sugar Refiners

Industry Hit by High Costs

Beet Supply Picture Mixed But Over-all Conditions Improve

Canadian sugar refiners, dependent on imported raw cane sugar for about three quarters of their output, have been contending with a variety of difficulties since the war started. Supply of raw sugar is under close control, Canada securing its quota through the United Kingdom at prices fixed by negotiation between the Governments of Canada and the U. K.

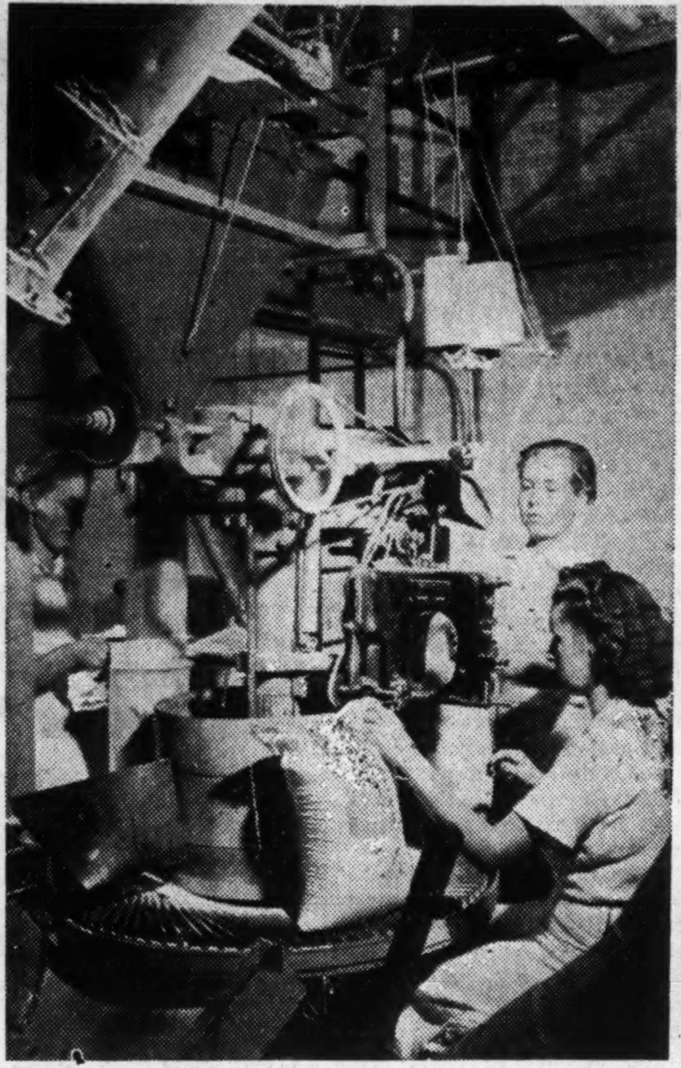
With quantity available restricted well under pre-war levels, one result has been a reduced rate of operations for sugar refiners and lower sales volume. At least in the early years of the war this led to sharp cuts in profits, as is indicated by the dividend experience of such large operators as Canada & Dominion Sugar Co.

Canadian sugar refiners include three major companies which also produce sugar from beets. Canada & Dominion slices beets grown in Ontario; Manitoba Sugar in Manitoba, and other units operate in Alberta, largest sugar beet growing province in Canada. Canada & Dominion also refines cane sugar.

Labor Supply Short

These companies have been facing peculiar problems the result of restricted labor supply for sugar beet growers and the question of prices to be paid beet growers. This year, at least, these problems have proved more serious in Ontario than in the other two provinces.

Recent indications, such as the increased quotas of sugar allowed industrial users, suggest improved supplies available and should mean some improvement in the total sales of sugar refiners. During wartime, however, with such a large proportion of Canada's sugar supply having to come by ship from the West Indies, outlook remains rather uncertain. Like other companies, taxes impose a limit on retainable net profits, while price and supply controls, rising operating costs and other factors must be met.



Sugar refiners have felt the pinch of labor shortage and reduced operations due to restricted raw materials. Here women workers are seen bagging sugar.

Acadia Sugar

Plant operations of Acadia Sugar Refining Co. at Woodside, near Halifax, were discontinued early in 1942 and have not been resumed. Production requirements are being met from the Atlantic Sugar plant at Saint John, although the Acadia trade name has been retained.

No financial or operating statement has been issued since control passed to interests identified with Atlantic Sugar Refineries. The two companies came under joint control in 1939 and in the early part of 1942 all the shares of Acadia Sugar were acquired by Atlantic Sugar.

Atlantic Sugar

Atlantic Sugar Refineries, through operation of its plant at Saint John, N.B., continues to take care of its own requirements as well as those of the associated firm, Acadia Sugar Refining.

Since control of the company was acquired by new interests, very little information has been made public as to finances or operations. Last year a block of the first mortgage bonds was retired and it is believed that the funded debt of the company now totals around $1¼ millions of first mortgage bonds.

Since the beginning of 1942 sugar has been rationed in Canada. Government figures on imports of cane sugar and stock on hand are no longer available, but as rationing was designed to cut down consumption, it is believed that rate of operations of the company are currently somewhat less than they were prior to rationing.

Canada & Dominion

Operating results of Canada & Dominion Sugar for 1942 showed an increase in net profits to nearly $2 millions from $1.7 millions, but the outlook for the present year is doubtful due to the sharp reduction in Ontario's sugar beet crop. Contracts were obtained by the company for about 9,000 acres of beets in 1943, compared with 20,700 acres in 1942. This year's estimated beet sugar production is 20 million lb. against 59 million lb. in 1942. As a result the company's Chatham plant will be closed down for the first time in 26 years.

The dividend rate on the company's stock was reduced on Sept. 1, 1942, to 20c. payable quarterly, compared with the previous rate of 37½c. This new basis of payment has been continued in 1943.

Canada & Dominion operates, in normal times, three refineries, at Chatham and Wallaceburg, Ont., and Montreal, Que. The Ontario refineries produce beet sugar; that at Montreal refinies imported raw cane sugar. Its chief brands are "Dominion Crystal" and "Redpath."

Manitoba Sugar

Manitoba is the third province in the Dominion producing sugar from beets. The Manitoba Sugar Co. was formed in 1939 with aid from the Provincial Government, and built a plant to produce 36 million lb. of white sugar annually from beets. The dried beet pulp remaining from operations is turned into cattle feed, for which there is a market in the province.

The Manitoba Government has guaranteed the company's $600,000 5% first mortgage bonds. Operations last year were successful due to a large yield on the beet acreage sown, and net profits of $79,951 were earned, as against $58,600 in the year previous. This still left a deficit earned on the common stock after allowing for preferred payments. No dividends have been paid on either stock.

The company's head office and plant are at Fort Garry, Man.

Careful Storage Will Save Those Victory Vegetables

To make certain that vegetables from the Victory Garden will not perish, here is a timely note regarding their storage:

For a storage room, any part of the cellar with a window leading directly outside may be used. If you have a concrete floor, cover it with sand and sprinkle water occasionally to maintain the proper moisture content of the air. This room will need walls that are well insulated and a well fitted door to provide an even temperature. Containers for vegetables should be constructed against the outside walls and have slatted sides and bottom to provide for ventilation.

Take great care in grading and sorting the garden produce to eliminate decay. Fruits and vegetables should be fully mature, clean and dry, free from damage caused by insects, disease, rough handling, freezing and chilling.

During the winter sort the produce regularly and remove any defective specimens as they will contaminate the sound stock.

Root produce, such as beets, carrots, parsnips, salsify, turnips, keep best at 33 deg. to 38 deg. Fahr. and in sand.

Potatoes need the same temperature, but should be placed in crates allowing good ventilation.

To keep tomatoes, wrap each green tomato separately and place in a closed box.

When storing apples be sure they are free from bruises and broken skins. They should be placed in slatted bushel crates to allow for air circulation at approximately 33 deg. to 38 deg. Fahr. with a humidity of from 80% to 85%.

Ten Billions Spent on War

Total value of contracts awarded and commitments made by the Munitions and Supply Department on Canadian, United Kingdom and other account had exceeded the $10 billions mark at the end of September, it has been announced.

Preliminary figures show that the grand total for the period July 14, 1939, to Sept. 30, 1943, was $9,464 millions, a figure which would be increased by hundreds of millions of dollars by the inclusion of letters of intention and unvalued acceptances of tender.

The following revised figures up to the end of the third quarter of 1943 cover two of the principal activities — purchasing and the provision of enlarged plant facilities — carried out by or under the aegis of M. & S. and its two predecessor bodies:

Total Contracts Awarded

	$ millions
Including plant extensions on Canadian account* ..	4,572.3
By Civil Aviation Division for airport construction under Air Training Plan*	48.4
Contracts and commitments on U. K. account for "stores"—and under plant extension program, with orders for output of these plants	3,888.0
Other account	955.3
Total contracts, Canadian, U. K. and other account	9,464.1

* Includes contracts awarded under the Combined Training Organization, some of which are chargeable to other Empire countries.

TWO MOUTHS

Every two men in uniform make almost an extra mouth to feed, says Consumers' Guide, a publication of the War Food Administration, Washington. The average soldier needs 5¼ pounds of food a day, whereas as a civilian he ate only 3½ pounds.

Nelson Bros. Fisheries Limited

★

Producers and Distributors of Finest Quality

PARAMOUNT

BRAND

Canned Salmon, Pilchards and Herring
Fish Meal and Fish Oil

★

325 Howe St.
Vancouver, B.C.

The full production of "PARAMOUNT" Brand is now being supplied to our fighting forces through the British Ministry of Food, thus making its contribution to Canada's War Effort.

DAVID ET FRERE
LIMITÈE
Incorporated in June, 1928 to acquire the business and assets of David Frère.
Established 1905

Makers of Fancy and Plain Biscuits

OFFICERS
President—de Gaspé Beaubien. *Vice-president*—F. A. Béique.
General Manager and Secretary-treasurer—L. R. Philie.
DIRECTORS
de Gaspé Beaubien, L. R. Philie, Georges O. Soucie,
F. A. Béique, Emilien Gadbois.

Champlain St. — MONTREAL, P.Q.

THE URGE TO SERVE STILL SURVIVES

THE Silverwood organization for one, is determined to conserve intact the valuable goodwill it has built up through the years, because "The Urge to Serve Still Survives."

We **HAVE** been handicapped by shortages, by restrictions and by loss of manpower; but we are not letting these disadvantages prevent us from doing all we can, with what we have, where we are.

And when the day comes that we can serve according to peace-time standards, with peace-time quality and quantity, we believe our policy of to-day will have proven its worth by retaining old customers and winning new ones.

Silverwood's dairy products

SILVERWOOD DAIRIES, LIMITED
Head Office, LONDON, ONTARIO

Plants at
London, Toronto, Hamilton, Windsor, Kitchener, St. Catharines, Peterborough, Brantford, Chatham, Stratford, Sarnia, Guelph, Woodstock, Elmira, Lucknow, North Bay, Sudbury, Cayuga, Cargill, Lindsay

Australia Plans to Dehydrate 5,000 Tons Mutton for U. K.

Australia's food production program for 1943-44 calls for, among others, 112 million lb. canned vegetables of which only ten million pounds were produced before the war. Dehydrated vegetables, sufficient of which to feed a battalion for a week can be carried in a single transport plane, will be increased enormously.

To Great Britain will go 5,000 tons of dehydrated mutton, together with 245,000 tons of frozen and canned meat.

To accomplish this vast output of food 60,000 more rural workers will be required in Australia. Commerce Minister Scully has asked the army to release as many men as possible. Youths under 19 in the armed forces will be used for such work as harvesting and flax-gathering until they reach 19, when they can be posted to operational areas. While engaged in rural work, the Government will accept the same responsibility for their welfare as if they were with operational units.

MORE MILK CONCENTRATED

The combined production of all items of concentrated milk and byproducts in Canada during the eight months ended Aug. 31 was 190.9 million lb., compared with 187 million lb. in the corresponding period of 1942.

Canada's Vegetable Bin

IN COLD AND COMMON STORAGE

	Oct. 1, 1943			Oct. 1, 1942		
	Potatoes (Tons)	Onions (Tons)	Celery (Crates)	Potatoes (Tons)	Onions (Tons)	Celery (Crates)
Maritimes	126	318	581	237	450	287
Quebec	6,190	556	4,314	641	346	1,805
Ontario	3,541	3,812	78,358	2,051	1,750	103,867
Manitoba	137	149	3,613	82	81	2,116
Saskatchewan	101	202	421	26	55	644
Alberta	40	122	475	183	36	214
British Columbia	699	133	652	498	122	499
Canada	10,834	5,292	89,414	3,718	2,840	109,432

THE "WOBBIE"

Hollanders behind their dikes, which bristle with German guns, have just given the world a new vegetable. It is the "wobbie," a cross between the carrot and a beet. According to the Netherlands Press Agency in London, the wobbie contains three or four times more Vitamin C than either carrots or beets.

LEFTOVER IDEA

"Pet Pakits" are given to all who ask in a San Francisco cafe. They are cartons designed to hold the leftovers of patrons' plates so pets won't suffer from lack of scraps when their owners eat out.

THIS FINE *Building*...

at the corner of Richmond and Victoria streets is the new home of the Confederation Life Association staff, equipped in the most modern style to provide nearly 400 employees with a convenient social and recreational centre.

Tastefully decorated lounge rooms — a library, auditorium, game room and spotless cafeteria all make life for Confederation Life employees one to be envied.

Gas is fittingly proud of the part it plays in cooking meals for the Confederation staff. It is proud, too that Gas was the fuel chosen to heat the building and provide a constant supply of hot water.

Illustrated in this space are scenes from Confederation's splendid building.

All over Toronto, Gas — the flexible fuel — is doing the job quickly, cleanly, and economically.

Hotel and Restaurant Division
THE CONSUMERS' GAS COMPANY
124 Richmond St. West • Telephone ADelaide 6941

iscellaneous Foods

Restaurants Have Sales Boom

Availability of Materials Vital Question to Processors

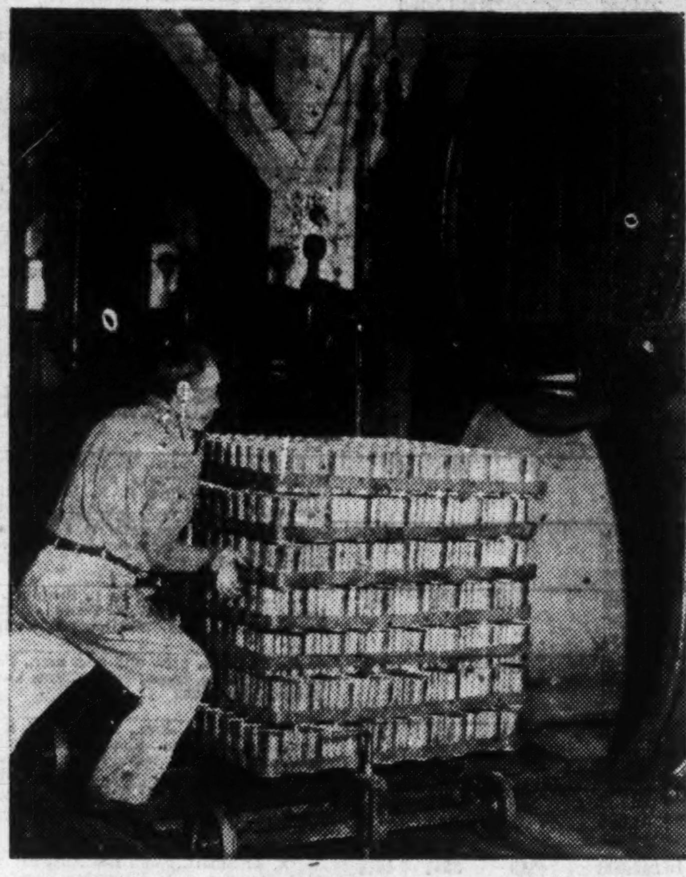
the field of assorted food plies and food services there been many developments ing the past year. Of signifi- ce in a variety of fields is the rovement in the shipping ation which has made it pos- e to increase the supply of y products such as coffee, oa and oils.

the restaurant business the of food has gone up but at same time there has been in- duction of price ceiling control many fresh vegetable and fruit ducts formerly left uncontrol- . Increased demand has pretty eliminated the sales problem n all companies, replacing this another common problem, npower.

General tightening up of the trols on labor has taken place, industries having a low prior- rating have found themselves y hard hit. Restaurants in par- lar have a continuous problem finding enough help to handle ir business. Not only is it essary to pay more for help the heavy turnover and inex- rience of the personnel results a considerable increase in or costs.

Two of the companies men- ned below manufacture food oducts—corn starch, corn syrup, caroni and spaghetti from do- stic materials. There is no ortage of the hard wheat from ich macaroni and spaghetti are de but corn is more scarce. rn syrup has been included ong the new list of rationed ms.

Effect of improved shipping is yet hard to gauge. Increased dustrial sugar quotas and an crease in the coffee rations have eady resulted and cocoa is re plentiful, but a recent PTB order left maximum spice les at the old quotas based on 41 sales. Improvement in sup- y has not, therefore, gone far ough to permit much change in les as yet.



How salmon is cooked: placed on trays, the tins containing the fish are loaded into a retort where they are exposed to live steam for nearly an hour. Afterwards, tins are cooled, labelled and made ready for shipping.

ue Ribbon Corp.

Blue Ribbon Corp. Ltd. is a lding company engaged, rough three subsidiary com- nies, in the processing and distribution under brand names of tea, coffee, cocoa, spices, chocolate confections and miscellaneous food products such as baking powder, jelly powder, etc.

With most of the company's business dependent upon the receipt of imported commodities, wartime operations are somewhat unpredictable. Net profits for the year ended June 30, 1943, amounted to 32c. a common share after taking into account the participating features of the preferred. This compares with 78c. the year previous, best year since 1931. The improved shipping situation of the last few months may result in some improvement in material available although recent orders have limited sales of spices to previous levels. Coffee, cocoa and sugar are in improved supply.

The company's subsidiaries are Pure Gold Manufacturing, manufacturing and distributing baking powder, spices, flavoring extracts and other products; Blue Ribbon, Ltd., manufacturing tea, coffee, spices, baking powder, etc.; and Willard's Chocolates, reviewed in this issue.

The company has been faced with severe labor difficulties but hopes to maintain production.

Canada Starch

Canada Starch Co., one of the principal operators in its field, continues to report sales at a high level. Income last year showed a gain, but due to higher provision for depreciation and the creation of a new reserve against future inventory depreciation there was a decline in net profits.

Higher costs of raw materials and supplies and the curb on ceiling prices have tended to offset any advantage gained through expansion of sales.

At the beginning of this year the company held a strong inventory position with supplies valued at over $2 millions, or about 2/3 more than reported at the beginning of the war. Against this, the company has incurred a bank loan which now stands on the books at $567,128. Net working capital position of the company, however, continues to show improvement.

Catelli

Demand for Catelli Food Products' output has increased, particularly since meat rationing, and it is anticipated the report for 1943 will make better reading for the shareholders.

Over the last four years the company has had to contend with numerous difficulties brought about by wartime conditions. In 1941 it was forced to close down its canning department owing to tin restrictions. The development of other items, however, has enabled the company to rebuild its sales volume with a resultant improvement in earnings from the low point reached in 1941. This was evident in the report for 1942, which showed earnings on the common stock at $1.15 a share, as against 12 cents a share the year before.

Dividends on the common stock were dropped two years ago in order to build up the working capital position. While an improvement in revenues is anticipated for the current year, it is not anticipated that the company will resume dividends for the time being.

Canada Vinegars

Imposition of a heavy excise tax on alcohol used in the manufacture of spirit vinegar resulted in sharp drop in the profits of Canada Vinegars Ltd. in 1940. Since then profits have recovered due to increased sales, but the 1939 level of profits has not yet been reached, partly the result of greatly increased income taxes.

The company manufactures vinegar and apple products, including "Allen's" apple juice. Sales of this latter product have been reduced because of restrictions on tin containers. The company owns eleven plants across Canada, from Quebec to B. C. The Regina, Sask., plant is not at present operating.

Representations have been made by the company to have the excise tax mentioned above removed, but so far no success has been achieved. There is no funded debt outstanding.

The former dividend rate of $1.20 a share was cut in half in 1940 and the next year further reduced to 40c. a share, plus 10c. extra paid in December. Payments of 30c. a share have been made in 1943 to date. In the year ended Nov. 30, 1942, a special property reserve of $25,000 was set up in respect of properties not required at present.

Can. Food Products

Since the purchase in June, 1942, of Industrial Food Services, Honey Dew, Ltd., has announced the changing of its name to Canadian Food Products Ltd. This company will operate as a holding company with subsidiaries, Industrial Food Products and Honey Dew Co. Ltd.

Industrial Food Products operates 15 or more industrial cafeterias. It was reported to have shown a small profit on its first year's operations, after absorbing the expenses incidental to starting up a new business.

Profits of Honey Dew Ltd. for the year ended Oct. 31, 1942, showed a nearly 25% increase over the previous year, amounting to $4.59 a share. New shops were opened in Hamilton and London, Ont., and others renovated. Honey Dew Western Ltd. was also acquired for 761 shares and the assets and liabilities of the company are being included in the accounts of Honey Dew Ltd.

Dover Industries

Dover Industries was formed in March, 1940, to consolidate Robinson Consolidated Cone Co., T. H. Taylor Co. and S. J. Cherry & Sons. Robinson Consolidated Cone is now Robinson Industries Ltd. All three companies are wholly owned subsidiaries of the parent company.

The two last named companies are engaged in grain milling, while Robinson Industries Ltd. manufactures ice cream cones, sandwich wafers, soda straws and other products. For the year ended Sept 30, 1942, net profits were equal to 88c. a share. In the 21 months from Jan. 1, 1940, profits were equal to $1.27 a share.

Muirheads

Muirheads Cafeterias, Toronto restaurant operator, reports net earnings for the year ended Feb. 28, 1943, showed a substantial improvement over the previous year.

In common with the rest of the restaurant business this company is faced with difficult labor and supply problems. Meal prices are under ceiling control and increased food costs have lowered profit margins but sales over the last three years reported showed an increase of nearly 200%.

The company operates three restaurants in Toronto and cafeterias in large industrial plants. A large block of the company's stock has been acquired by Canadian Food Products, a holding company through which Honey Dew and Industrial Food Services operate.

National Biscuit

National Biscuit Co. is a United States corporation with subsidiaries and plants in Canada and England. Canadian subsidiary is Christie, Brown Co. and in addition the company owns the Shredded Wheat factory at Niagara Falls. Christie, Brown has plants at Toronto and Winnipeg, Man.

Willard's

As a subsidiary of Blue Ribbon Corp., which owns practically all of its common and preferred stock, Willard's Chocolates no longer publishes a separate financial statement. The company manufactures a wide range of chocolate confectionery. The fiscal year ends June 30. An increase in sales was reported for the past year's operations.

It Reminds You Of

a Good Old English Mixture

If you can't get your favourite imported mixture —don't worry, for here in Canada Wakefield English Mixture gives you a tobacco better than anything you've ever smoked. Try a pipeful of this cool, fragrant mixture today. You'll thoroughly enjoy it.

Wakefield

ENGLISH MIXTURE

W-243

Canada's Wheat Crop Records

	1943	1942	1941	1940
(Million Bushels)				
Crop	296.3	592.7	302.6	551.4
Carry-over†	586.2	404.9	448.3	272.9
Exports	*136.9	222	231.2	192.7
(Million Acres)				
Acreage	17.5	21.6	21.9	28.7

* Total for nine months only, Aug. 1942-Apr. 30, 1943.

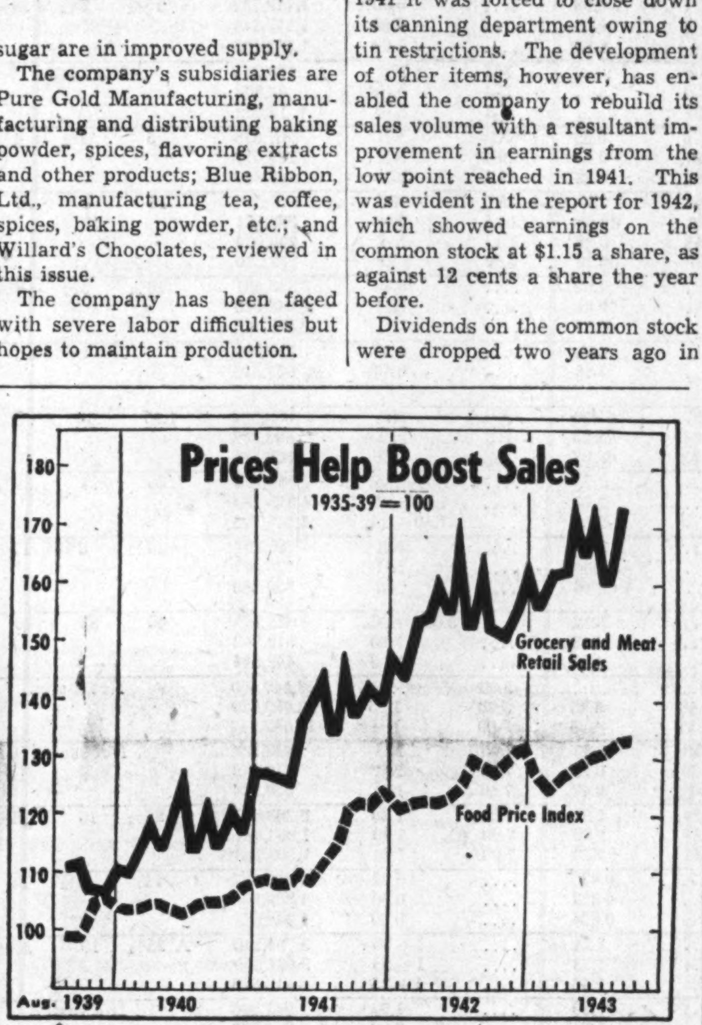
† As at July 31, end of crop year.

APPLE PROCESSING

Processing of apples in the Okanagan district of British Columbia has now become an important subsidiary of the fruit industry. Today there are not enough apples available to meet the demands of the processors. Last year the Okanagan put up 1,100,000 pounds of dehydrated apples, which met a very ready sale. The total will be less this year. Processing plants could handle 10,000 tons of culls this season, whereas only 7,000 tons are available.

N. S. POULTRY POOLS

More than 60,000 lb. of dressed poultry were sold at 14 pools held in Nova Scotia during September. Slightly more than 92% of this total made the A or B grades. The largest pool of the month was at Greenwich, Kings County, Sept. 16, when the offerings totalled 11,220 pounds, about 95% of which was in the top grades.



Sales of grocery and meat retailers have risen steadily since the war started; are now about 60% above pre war levels. A lot of this has been due to a 30% rise in food price index.

Hit By Goods Shortages

(Continued from page 17)

pany also supplies the Red and White chain of 700 stores.

An initial 40c a share was paid on the common stock in July, 1942, and a further 40c in July of this year. For the period ended March 31, 1943, the company earned $1.11 on its common shares. This is not as high as in the year previous due to larger income taxes. In a statement at the end of June the president noted that, while recognizing the probable shortage of canned goods, the company expected to do as well this year as last.

Stop & Shop

Stop & Shop, Ltd., now operates as a holding company controlling Thrift Stores. In the absence of dividends from its holdings of Thrift Stores' stock, sole income of the company has been derived from rentals from Toronto stores leased to Dominion Stores and from property rented to Thrift Stores. Sale of properties in both Toronto and Montreal continued over the last few years until at last report the company retained only a Montreal warehouse, two stores in Toronto and two vacant lots of little value in Montreal. Both Toronto properties are leased to Dominion Stores. Revenue has consequently been decreasing gradually for several years.

A small loss over the last several years has been suffered. Bondholders are by agreement paid 3% per annum on their 6% bonds, and an additional 3% is payable from one-half of net profits when any are earned.

Thrift Stores

Sales of Thrift Stores Ltd. continue to increase, despite a reduction in the number of stores in operation. During the year ended March 27 last, operating profit was $220,400, as against $164,825 the year before. Net profit of $93,105, was equal to $3.27 a share on the common stock, or more than double that reported the previous year.

Standard profits of the company have now been ascertained by the board of referees and, according to R. H. Hommel, president, "It is the company's intention to apply, under the Excess Profits Act, for a reserve against future declines in inventory values."

A feature of the financial statement for last year was the marked improvement in net working capital, which now stands at $303,151, against $206,802 a year ago.

Western Grocers

With warehouses throughout Alberta, Saskatchewan, Manitoba and Western Ontario, Western Grocers operates a wholesale grocery business, and, through wholly-owned subsidiaries, a wholesale fruit and vegetable business in Western Canada and a wholesale grocery business in B. C. The company is affiliated with the "Red and White" chain of retail grocers which it supplies.

In 1942 the company earned $19.37 a share on its common stock, compared with $12.30 the previous year. Since 1939 increased profits have resulted very largely from improved dividends from subsidiaries. W. H. Malkin Co. of Vancouver was acquired in 1938. Dividends of $3, plus $2 extra, were paid in 1942 and are being paid again this year. Accumulated earned surplus to Dec. 31, 1942, was $1.3 million. Volume of sales, in both dollars and tonnage was greater in 1942 than in 1941.

SERVING ON A VITAL CANADIAN FRONT

33 National Grocers Warehouses enable 12,000 retailers to serve customers throughout Ontario

●

As the war continues, the food front of Canada becomes increasingly important. National Grocers Company Limited provides a strategic service on this important front because, through its province-wide facilities, 12,000 independent retailers are enabled to serve their customers with the world's finest products at the lowest prices consistent with quality.

This service to thousands of retailers, and through them to countless Ontario citizens, is made possible by the convenient locations of 33 National warehouses throughout Ontario . . . by a constant inventory of over 4000 separate commodities . . . and by a complete, well-organized system of deliveries to anywhere in the province.

NATIONAL GROCERS
COMPANY LIMITED
An Entirely Canadian Institution
Head Office: 21 Front Street, Toronto

Board of Directors

Archie Foster, President and Chairman of the Board; M. D. Lemon, Vice-President; H. L. McNally, General Manager; T. H. Kinnear, Secretary-treasurer; D. Blain; A. B. Gordon; W. H. Kenny; A. J. Major; W. G. McLauchlan; T. J. Medland; Marland Woolnough.

A TRIBUTE

So near is grandeur to our dust
So near is God to man
When Duty whispers low, Thou must
The youth replies, I can!

EMERSON

In appreciation of the magnificent gallantry of Canada's fighting sons

THE CANADA BREAD COMPANY
LIMITED

Statistical Record of Canadian Food Companies

Distributors' Job Becomes More Complex

(Continued from page 15)

approximately two thirds of the 1942 civilian supply, and there is no indication that consumer demand will be less in the next year than it has been in the past.

Allied with rationing is short supply of other foodstuffs which may arise from changes in consumer demands, weather, etc. Canada does not maintain sufficient warehoused food stocks to supply consumer demand completely for more than two weeks. No one can predict from week to week what effect sudden changes in weather may have on current food crops, nor can any one predict with accuracy possible changes in eating habits.

Maintain and Adjust

One of the most serious problems has been to maintain present food standards of Canadian consumers and to adjust and to provide for total supplies of consumer goods to meet essential requirements.

Where certain commodities in popular use have disappeared from the market or have been in particularly short supply, every effort is made to find a satisfactory substitute and to change the consumers' buying habits so that standards of nutrition can be adequately maintained, again aided by the WPTB.

Rationing of canned fruits, jams, jellies, marmalades, syrup and honey (the latest to be added to the list) adds to the retailers' difficulties in handling coupons, but, on the other hand, relieves him from public criticism by ensuring equitable distribution.

The Board is well aware, it is stated, of the amount of work required by the food distribution in handling ration coupons. This factor has been and will be a powerful deterrent in expanding formal rationing.

Profit-making Problem

Rationing, the difficulty in securing supplies, time required to comply with Government regulations, have all had a marked effect on operations of food distributors. Even the chain stores have felt the increased difficulty in doing business under wartime conditions, have all had a marked effect tor the problem of operating profitably has become more complex than ever.

At this stage well established food business can anticipate something approaching the same volume as last year. However, indications are the wide margin items will be still further curtailed, or may disappear, and that sales will contain a much larger proportion of those staples on which the gross profit is small.

For the distributor to maintain profitable operations, this means increased efforts to reduce operating expenses so that decreasing gross margins on maintained sales volume will not entirely wipe out the net profit.

It is under these conditions that the chain store operator has, generally speaking, an advantage over the independent operator. Accustomed to operating under rigid control, with small profit margins, the chain has been able to adjust itself to Government regulation more quickly and more completely than has been the case with many independents.

By and large, records kept by many merchants are inadequate not only for their own information, but also for the purpose of aiding the Government bodies to obtain the facts necessary to establish broad national policies on a practical and workable basis.

New Business Conception

The retailer is able to sell all the goods he is able to buy, or which he has in stock. He has been accustomed to measure the success of his business entirely by sales volume, knowing that he could replace stocks on very short notice. However, some merchants have not realized that under critical conditions of short supply, even though their sales volume was maintained or increased and their bank balances growing larger, their financial position might be unsound.

Increasing bank balances in times of short supply are almost certain to indicate depleted stocks and the conversion of capital formerly invested in stock into cash in the bank.

Only by the maintenance of some simple running record of operations is the merchant able to tell what effect the rapidly changing supply situation is going to have not only on sales volume, but on the very vital factors of gross and net profits.

Experience of the WPTB indicates that many distributors are still not sufficiently alive to the need of a close check on operating expenses. During the past year and a half, the Board has offered considerable assistance to distributors in this regard through, for example, the curtailment of deliveries, encouragement of municipally organized plans for shorter store hours, simplified record of systems and improved store layouts and merchandise displays.

In effect, what the Board has been doing is to give in concentrated form an advanced course in distribution management and operation. Its effect already is becoming noticeable in the foodstuffs business and there is little doubt but that it will have an important influence after the war when normal competitive conditions are restored as between chain and independent store operators.

The educational program carried out by the WPTB has put the foodstuffs distributor in a better position to cope with short supplies.

In order to keep in the black and, at the same time, handle the greatly increased volume of business, distributors have had to effect many changes in their methods of operation.

With the paramount problems in business today supply and manpower, the trend is toward conservation and greater operating efficiency. Store layouts and display of merchandise have been overhauled to fit them in with present-day conditions.

Checking desks have been installed to handle groceries, fresh fruits, vegetables and meats. Labor requirements have been reduced in this way.

A few years ago turnstiles were regarded as "taboo" in most up-to-date food markets. The trend then was to promote an easy flow of traffic and the turnstiles disappeared.

With present labor supplies and volume of business offering, this trend has been reversed, and the turnstile again has taken its place in the modern store. This provides for a closer check on "walk-outs" and pilferage and permits a larger volume of business to be handled with a smaller labor force.

Bulk goods are being packaged. Shelving has been rearranged. Goods available in quantity are featured; those in short supply are put in an inconspicuous place. Deliveries are limited; in many cases eliminated.

War conditions, of course, have forced these changes on the food distributor. Not all will be carried over into the peacetime, but undoubtedly many of them will prove their value to be so great that they will become a permanent feature in food distribution operations.

Company	Year	Funded Debt $	Gross Income $	Net Profit $	Time Bond Int. Earned (after deprec.)	Net Profit per Share Pref. $	Net Profit per Share Com. $	Dividends Paid Pref. $	Dividends Paid Com. $	Working Capital $	Price Range Common 1942-43 High	Low	Last	Directors
Acadia Sugar	1942	3,370,000									Not Listed			P. R. Gardiner, pres.; Hon. S. A. Hayden, vice-pres. & sec.-treas.; B. L. La L. W. Allen; Toronto; T. J. Dillon, New York. Mgr.—D. R. Turnbull.
	1941	3,457,000				Not Available								
	1940	3,534,000												
Acme Farmers' Dairy *Held as collateral for parent company's funded debt. †Years ended Mar. 31.	†1943	*700,000	364,415	49,413	....	7.06	....	Nil	Nil	456,322	Not Listed			W. R. Aird, pres., Montreal; Hon. G. S. Henry, vice-pres., Todmorden, Ont.; Cornell, Scarborough, Ont.; D. H. McDougall F. L. Hubbard, Toronto; E. G. S Montreal.
	†1942	*700,000	293,252	40,789	....	5.83	....	Nil	Nil	284,767				
	†1941	*700,000	265,069	87	....	0.01	....	Nil	Nil	148,787				
Barker's Bread d—Deficit. †Excess curr. liab. over curr. assets.	1942	......	85,626	25,995	....	2.92	0.10	Nil	Nil	60,771	3.00	0.50	3.00	J. B. White, pres.; P. C. Band, gen. mgr.; G. M. Sutherland, Hon. J. Earl La Gilbert Nunns, R. B. Phipps, S. Hermant, Toronto; G. W. Burry, Linden, N.J.
	1941	......	39,420	d8,145	....	d0.91	d0.92	Nil	Nil	19,306				
	1940	......	44,055	491	....	d0.01	d0.68	2.50	Nil	† 8,556				
Blue Ribbon *Years ended June 30.	*1943	......	474,175	104,066	....	3.49	0.32	2.50	Nil	1,269,931	8¼	2½	8	C. E. Spooner, chm., Toronto; J. Ball, pres.; W. Hood, Winnipeg; A. C. Ma J. R. Wright, vice-pres.; Col. J. F. Michie, F. T. Moore, Toronto.
	*1942	......	536,991	147,603	....	4.94	0.78	2.50	Nil	1,144,367				
	*1941	......	331,548	116,533	....	3.90	0.45	2.50	Nil	1,013,229				
British Columbia Packers *Years ended Apr. 30.	*1943	......	1,399,066	308,044	24.91	....	2.26	....	0.75	2,100,466	26	12	24	H. R. MacMillan, pres.; Stanley Burke, vice-pres.; J. M. Buchanan, vice- gen. mgr.; F. E. Burke, George Kidd, J. P. D. Malkin, W. J. VanDusen, A. C. T Gordon Farrell, A. H. St.John, Vancouver; A. H. Williamson, Ottawa; J. F. G J. S. McLean, Toronto; J. H. Copeman, Montreal.
	*1942	850,000	1,412,067	423,510	24.91	....	3.11	....	1.50	2,011,340				
	*1941	900,000	740,454	206,852	9.13	....	1.52	....	....	1,918,424				
Burns & Co. d—Deficit. †Net income.						"A"	"B"							John Burns, pres.; R. J. Dinning, exec. vice-pres.; A. C. Newton, vice-pres.; Munn, R. R. Furlong, Wm. Toole, M. M. Porter, Calgary; Col. A. M. Brown, Vanco W. S. Hodgens, Toronto; A. E. Pequegnat, Waterloo; H. R. Milner, Edmonton.
	1942	6,211,300	†1,638,867	322,397	2.63	9.60	2.02	Nil	Nil	2,801,019	5	5	5	
	1941	6,445,300	†1,268,816	97,421	1.48	2.90	0.45	Nil	Nil	2,510,859				
	1940	6,668,300	† 688,393	d 76,371	0.77	d2.27	....	Nil	Nil	2,876,659				
Canada & Dominion Sugar	1942	......	3,409,412	1,981,117	....	....	1.32	....	1.15	16,346,446	22¾	13	21¼	W. J. McGregor, pres. and treas., Chatham; H. R. Drummond, vice-pres., Mont H. F. Smith, vice-pres., Detroit; A. E. Dyment, W. C. Laidlaw, Toronto; A. Thomson, G. B. Foster, C. J. Covle, Montreal; G. H. Moulthrop, Bay City, Mich
	1941	......	3,019,817	1,686,681	....	....	1.12	....	1.50	15,750,947				
	1940	......	3,647,627	2,092,188	....	....	1.39	....	1.50	16,176,913				
Canada Bread *Years ended June 30. †Excess of curr. liab. over curr. assets.	*1943	......	793,475	230,878	....	18.47	0.28	6.00	0.10	130,427	7½	1¾	7½	C. H. Carlisle, pres.; R. S. Waldie, vice-pres.; A. V. Loftus, gen. mgr.; C. B. Sh A. G. Walwyn, A. W. Holmested, G. C. Leitch; Toronto.
	*1942	......	564,537	183,465	....	14.68	0.17	6.00	Nil	† 64,480				
	*1941	......	499,084	145,028	....	11.60	0.10	5.00	Nil	329,759				
Canada Packers *Years ended Mar. 26.	*1943	750,000	4,575,616	1,611,418	114.26	....	8.06	....	4.00	8,871,179	98	74¾	95	J. S. McLean, pres.; W. T. Harris, vice-pres.; S. G. Brock, vice-pres. and sec.-tr N. J. McLean, vice-pres. and gen. mgr.; Chas. Wadge, asst. sec.; G. A. Schell, F. Wiggins, A. L. Laing, R. N. McKechnie, C. C. Polkinghorne, W. R. Carroll, H. Murray, Toronto; J. P. Laberge, Montreal.
	*1942	1,500,000	5,294,894	1,611,465	85.45	....	8.06	....	4.00	7,432,493				
	*1941	2,250,000	4,184,948	1,555,028	46.94	....	7.77	....	4.50	7,451,195				
Canada Starch	1942	......	838,166	289,991	....	9.45	1.27	7.00	0.50	1,794,594	11	8½	11	G. F. Benson, chm.; Maj. G. F. Benson, Jr., pres.; J. H. Hunter, vice-pres.; de G Beaubien, W. B. Blackader, N. J. Dawes, Montreal; W. E. Dircks, W. L. Moran, N York; F. A. Warren.
	1941	......	808,774	325,061	....	10.59	1.86	7.00	0.50	1,674,415				
	1940	......	707,047	349,833	....	11.40	2.28	7.00	0.50	1,607,234				
Canada Vinegars	1942	......	247,863	83,365	....	....	0.91	....	0.50	298,089	9¼	4½	9¼	C. L. Carsley, pres.; A. L. Spalding, vice-pres. and gen. mgr.; P. L. Howell, treas.; L. L. Carsley, W. E. Young, J. Hobson, W. R. Binch, Toronto; E. A. Isard, B lington; E. L. Isard, Winnipeg; E. W. Howell, C. Fry, Norwich, Ont.
	1941	......	221,936	57,048	....	....	0.62	....	0.50	252,256				
	1940	......	177,552	40,091	....	....	0.44	....	0.60	263,935				
Canadian Bakeries d—Deficit. *Years ended Aug. 31.	*1943	66,300	478,713	57,572	....	6.31	0.06	5.00	Nil	85,050	6¼	.80	5¾	R. W. Ward, pres. and gen. mgr., Calgary; D. C. MacLachlan, vice-pres., To D. A. Ross, sec.-treas.; John Burns, Calgary; E. E. Buckerfield, Vancouver; H. M. Evans, Edmonton.
	*1942	293,667	304,637	64,967	....	7.12	0.10	7.50	Nil	214,609				
	*1941	498,300	187,350	34,160	....	3.74	d0.12	4.50	Nil	326,447				
Canadian Canners *Years ended Feb. 28. †Includes participating dividends of 20 cents.	1943	2,420,000	3,701,469	872,466	30.84	4.57	2.09	†1.20	0.50	6,800,815	9⅞	4½	8½	Avern Pardoe, chm., Toronto; W. R Drynan, pres. and gen. mgr., Hamilton; W. Innes, 1st vice-pres., Simcoe, Ont.; E. A. Pearce, 2nd vice-pres., Picton, Ont.; D. McCahill, asst gen. mgr.; Aleck Leitch, W. I. Drynan, Hamilton; Lt.-Col. W. G. M Kendrick, J. A. Northway, W. G. Lumbers; Toronto; G. C. Edwards, Ottawa.
	*1942	2,600,000	3,142,517	1,123,310	24.50	5.88	3.84	†1.20	0.50	6,551,152				
	*1941	2,780,000	2,306,254	1,011,085	16.53	5.30	3.04	†1.20	0.50	6,078,241				
Canadian Food Products †Excess of curr. liab. over curr. assets.	1942	......	256,989	98,331	....	....	4.59	....	2.00	† 12,738	38	16	38	E. P. Taylor, pres.; W. G. Lumbers, vice-pres.; D. H. Gibson, D. W. Smart, J. Gairdner, E. W. Bickle; Toronto; A. R. Kaufman, Kitchener, Ont.
	1941	130,500	237,223	80,346	....	....	3.89	....	2.00	† 51,065				
	1940	130,500	174,293	55,692	....	....	2.70	....	1.00	†113,245				
Carnation Co. *New York. ▲New 4% preferred.	1942	4,000,000	8,138,796	2,546,655	....	▲50.93	3.90	5.00	2.00	16,943,908	*49	35½	48½	*E. A. Stuart, chm., Los Angeles; *E. H. Stuart, pres. and treas.; *P. G. Ki *J. F. Douglas, A. M. Ghormley, vice-pres's.; Milwaukee, Wis.; W. C. Cross, vice-pr J. S. Wilkinson; Oconomowoc, Wis.; R. H. Fullerton, New York; Walter K Milwaukee; A. P. Herold, Seattle. *Executive committee.
	1941	......	6,023,496	2,564,450	....	87.35	3.97	5.00	2.00	13,818,466				
	1940	......	4,371,770	2,319,027	....	78.99	3.56	5.00	2.00	10,095,257				
Catelli Food Products *Excess of curr. liab. over curr. assets.	1942	......	233,009	82,292	....	2.14	1.17	0.75	Nil	104,109	12	5	12	Aimé Geoffrion, pres.; A. Bienvenu, vice-pres.; Paul Bienvenu, man. dir.; R. Dobell, W. W. Hutchinson, Hon. Alphonse Raymond, Henri Geoffrion, Montreal; J. Dery, Quebec; L. F. Burrows, Ottawa.
	1941	......	137,148	34,236	....	0.89	0.12	0.75	0.25	*27,092				
	1940	......	308,128	118,615	....	3.09	1.96	0.75	0.50	*69,271				
Consolidated Bakeries	1942	......	558,520	313,008	....	....	0.98	....	0.60	1,749,732	15½	8½	15½	Robert McMullen, chm.; Thomas Bignell, pres. and gen. mgr.; J. F. Lash, *F. Morrow, F. G. Osler, Toronto; R. R. Dobell, *G. A. Morris, Ross H. McMaster, Beau Leman, M. W. Wilson, *Hon. Charles A. Dunning, Montreal. *Management sha holders.
	1941	......	447,549	207,530	....	....	0.65	....	0.60	1,512,848				
	1940	......	436,869	223,469	....	....	0.70	....	1.00	1,439,126				
Crescent Creamery *Years ended Mar. 31. †Excess of curr. assets over curr. liab.	*1943	......	156,894	50,498	....	5.05	....	Nil	Nil	188,811	Not Listed			W. R. Aird, pres., Montreal; J. E. Woods, vice-pres.; C. W. Johnson, gen. mgr.; R. Guy, A. E. Johnston, S. N. Jones, Herbert Sellers, C. C. Wardrope, Winnipeg.
	*1942	......	61,788	13,939	....	1.39	....	Nil	Nil	42,602				
	*1941	......	56,991	9,664	....	0.97	....	Nil	Nil	† 12,569				
Dairy Corporation *Years ended Mar. 31. †Excess of curr. liabs. over curr. assets.	*1943	......	326,893	70,497	....	10.76	0.69	Nil	Nil	267,675	5	1½	4½	J. A. Caulder, pres. and man. dir., Winnipeg; R. A. Daly, vice-pres. and tre H. G. Stapells, sec.; J. J. Gibson, A. E. Naylor, W. P. Fess, Toronto; A. E. Silverw London, Ont.
	*1942	......	215,154	52,083	....	7.91	0.45	Nil	Nil	166,617				
	*1941	......	198,389	38,183	....	5.80	0.28	Nil	Nil	†42,343				
David & Frère *Years ended Mar. 31.						"A"	"B"	"A"	"B"		16	8	16	de Gaspé Beaubien, pres.; F. A. Beique, vice-pres.; L. R. Philie, gen. mgr. and treas.; G. O. Soucie, Emilien Gadbois; Montreal.
	*1943	......	103,799	51,210	....	2.23	d0.01	1.15	Nil	329,181				
	*1942	......	124,603	65,081	....	2.54	0.29	1.15	Nil	289,939				
	*1941	......	90,910	47,599	....	2.07	d0.18	1.00	Nil	262,226				
Dominion Stores *Net earnings.	1942	......	*750,040	286,340	....	....	1.02	....	0.20	2,350,661	10½	3½	9⅝	E. G. Wills, chm.; J. W. Horsey, pres.; L. D. Squair, vice-pres.; Toronto; R. Johnson, vice-pres.; Francois Faure, Mme. P. F. Casgrain, Montreal; S. G. Ben R. R. Corson, Toronto; J. B. Jameson, Concord, N.H.
	1941	......	*427,094	170,067	....	....	0.61	....	Nil	2,048,010				
	1940	......	*273,220	100,819	....	....	0.36	....	Nil	2,156,525				
Dover Industries *For 21 months, Jan. 1, 1940 to Sept. 30, 1941.	1942	......	245,225	126,661	....	....	0.88	....	0.60	712,252	Not Listed			John Moodie, pres., Port Nelson, Ont.; F. K. Morrow, vice-pres., Toronto; H. Ke well, sec., Chatham, Ont.; E. M. Fletcher, treas., Hamilton, Ont.; Victor Valle Hamilton; J. F. McDonagh, J. F. Lash, H. A. Sawyer, Toronto; Wm. Burr, Pre Ont.; R. R. Barber, Guelph, Ont.
	1941	......	*353,886	182,438	....	....	1.28	....	0.60	665,514				
Eastern Dairies *Years ended Mar. 31. d—Deficit. †Includes $46,500 bonds of Crescent Creamery.	*1943	†2,479,500	767,563	73,572	3.64	1.97	d1.90	Nil	Nil	858,507	1.45	.30	.55	W. R. Aird, pres. and man. dir.; P. A. Thomson, vice-pres.; Maj.-Gen. C. B. P A. J. Nesbitt, Montreal; E. W. King, Toronto.
	*1942	2,433,000	561,034	61,515	1.63	1.64	d2.03	Nil	Nil	493,382				
	*1941	2,433,000	588,274	28,195	1.32	0.75	d2.37	Nil	Nil	360,315				
Fanny Farmer Candy Shops	1942	......	3,072,803	797,803	....	....	2.25	....	1.50+.25	1,581,863	30	15	29¾	J. D. Hayes, pres. and chm.; J. F. Burke, vice-pres. and asst. to pres.; J. P. H sec.; C. S. Hallauer, Rochester; R. R. Corson, Toronto; J. F. Cronin, W. G. Se B. J. Convey, vice-pres.
	1941	......	1,892,835	977,835	....	....	2.72	....	1.50+.25	1,315,290				
	1940	......	1,360,982	976,982	....	....	2.68	....	1.50+.25	1,241,123				
Hunt's Ltd. ▲Authorized and issued to secure bank loan; returned to co. in 1941. d—Deficit. *Excess of curr liab. over curr. assets.	1942	......	91,696	26,182	....	....	0.78	....	Nil	39,397	17½	6	17½	H. W. Hunt, pres. and man. dir.; L. K. Hergert, sec.-treas.; J. H. Ratcliffe, M G. Laidlaw; Toronto; F. T. Brooks, Hamilton.
	1941	......	68,448	120	....	....	0.004	....	Nil	*20,277				
	1940	▲100,000	28,344	d 18,723	....	....	d0.56	....	Nil	*53,580				
Inter City Baking *Years ended Jan. 31.	*1943	899,500	576,929	108,206	8.47	....	5.12	....	3.00+1.00	523,133	49	22	40	Brig.-Gen. F. S. Meighen, pres.; C. H. G. Short, vice-pres. and gen. mgr.; D. MacInnes, asst. sec.-treas.; R. W. Reford, L. M. Strachan, R. R. Hutchison; Mo real; C. W. Cotter, Ottawa; W. L. MacGregor, Toronto.
	*1942	944,500	391,594	114,894	4.32	....	5.43	....	3.00	516,742				
	*1941	1,085,500	316,624	84,963	3.32	....	4.02	....	3.00	442,564				
International Milling *Years ended Aug. 31.	*1943	2,200,000	......	2,723,208	....	....	....	5.00	....	13,647,469	Not Listed			F. A. Bean, pres.; Charles Ritz, vice-pres.; Minneapolis; J. J. Kovarik, vice-pre Buffalo, N.Y.; J. M. Bruzek, vice-pres.; P. B. Hicks, vice-pres.; F. V. Spofford, Minneapolis; A. B. Dygert, vice-pres.
	*1942	2,300,000	......	1,934,484	....	35.48	6.25	5.00	1.25	12,453,539				
	*1941	1,900,000	......	1,594,440	....	29.35	4.85	5.00	Nil	10,542,342				
Jenkins' Groceteria	1942	......	135,397	50,697	....	10.73	0.88	7.00	Nil	396,128	Not Listed			H. M. Jenkins, pres. and gen. mgr.; R. H. Jenkins, sec.-treas.; J. T. Gray.
	1941	......	86,102	42,795	....	9.27	0.53	7.00	Nil	372,173				
	1940	......	78,509	42,575	....	9.01	0.47	7.00	Nil	350,374				
Lake of the Woods Milling †Held by banks at collateral for loans. *Years ended Aug. 31.	*1943	†2,500,000	1,960,499	341,135	....	22.74	1.60	7.00	1.20	2,263,857	26½	15	13½	Brig.-Gen. F. S. Meighen, pres.; C. H. G. Short, vice-pres. and man. dir.; R. Reford, Walter Molson, P. F. Sise, Alphonse Raymond; N. J. Dawes, Montreal; Is Pitblado, Winnipeg; J. W. Hobbs, Toronto; J. H. Pillman, London, Eng.
	*1942	†2,500,000	1,523,847	517,059	....	34.47	2.79	7.00	1.20	1,863,687				
	*1941	†2,500,000	1,309,812	478,699	....	31.91	2.53	7.00	1.20	1,502,188				
Laura Secord Candy Shops *Years ended Sept. 30.	*1942	......	588,683	238,692	....	....	0.830	....	0.80	1,887,887	14	6½	14	J. D. Hayes, pres. and gen. mgr. and chm.; C. P. Moher and R. R. Corson, vice-pre J. F. Lash, Toronto; A. A. Audette.
	*1941	......	473,499	244,904	....	....	0.852	....	0.80	1,863,894				
	*1940	......	373,575	231,087	....	....	0.804	....	0.80	1,844,911				
Loblaw Groceterias *Years ended May 31.	*1943	......	1,717,364	1,032,364	....	....	1.24	....	1+.25	3,709,140	"A"25¾	19	23½	J. Milton Cork, pres.; C. B. Shields, vice-pres. and gen. mgr.; Daniel Urquhart, vi pres.; Justin M. Cork, vice-pres. and asst. gen. mgr.; R. G. Meech, sec.-treas.; W. Cork, Toronto; W. A. Arbuckle, Montreal.
	*1942	......	2,094,300	1,264,300	....	....	1.53	....	1+.25	3,487,560				
	*1941	......	1,968,830	1,198,830	....	....	1.45	....	1+.25	3,415,825				
Loblaw Groceterias, Inc. *Years ended Feb. 28. †After depreciation.	*1943	......	1,261,379	310,937	....	....	0.90	....	1.00	941,946	Not Listed			F. K. Morrow, chm., Toronto; J. R. Peachey, pres. and gen. mgr., Buffalo; S. Score, treas., Snyder, N.Y.; Daniel Urquhart, W. G. Watson, R. S. McPherson, Toro J. F. Harter, Eggertsville, N.Y.
	*1942	......	1,204,028	449,456	....	....	1.31	....	0.90	964,079				
	*1941	......	†530,079	346,178	....	....	1.02	....	0.80	874,401				
Maple Leaf Milling *Years ended July 31.	*1942	3,932,500	1,692,347	347,662	9.54	3.78	1.13	Nil	Nil	1,757,253	9¼	1½	7½	D. C. MacLachlan, pres. and gen. mgr.; E. Everett Bristol, J. L. Henderson, C. Soward, K. F. Wadsworth, J. G. Singer; Toronto; G. W. Stepan, Montreal; E. Buckerfield, Vancouver; H. E. Sellers, Winnipeg.
	*1941	4,412,500	1,271,209	332,594	7.01	3.62	1.07	Nil	Nil	1,569,896				
	*1940	4,505,000	1,230,835	317,220	7.08	3.45	1.01	Nil	Nil	1,197,106				
Maritime National Fish *Years ended Apr. 30.	*1942	......	......	87,826	....	....	....	6.00	Nil	289,014	Not Listed			H. G. Connor, pres.; J. McG. Stewart, vice-pres.; H. V. D. Lang, sec.; W. I. McDoug H. P. Connor; all of Halifax; S. G. Matthews, Montreal.
	*1941	......	......	81,468	....	....	....	6.00	1.00	234,256				
	*1940	......	......	97,050	....	....	....	6.00	0.45	......				
Manitoba Sugar As at: *Mar. 31. †Sept. 30. ‡15 mos. end. Mar. 31. d—Deficit.	*1942	600,000	257,987	79,961	4.53	5.43	d0.29	Nil	Nil	243,084	Not Listed			G. H. Aikins, pres.; N. L. Leach, vice-pres.; W. H. Carter, vice-pres.; John Mar H. E. Sellers, Winnipeg; Baron Charles Neuman, Jakob Goldschmidt, New York; J. Boyd, Paul Kronacher.
	*1941	600,000	‡146,055	‡58,600	‡8.24	‡3.91	d1.58	Nil	Nil	‡163,770				
	†1940	600,000	......	......	....	....	....	Nil	Nil	129,927				
Moirs Ltd. *Net earnings after expenses, etc. d—Deficit.	1942	725,500	*450,875	130,999	8.56	13.44	4.68	Nil	Nil	865,889	Not Listed			J. C. MacKeen, pres.; W. B. Proctor, man. dir.; W. K. McKean, vice-pres.; C. Stairs, J. McG. Stewart, D. R. Turnbull, Halifax.
	1941	739,400	*270,023	69,158	4.06	7.10	0.69	Nil	Nil	735,888				
	1940	750,000	*223,480	52,789	2.71	5.42	d0.37	Nil	Nil	651,377				
Muirheads Cafeterias *Years ended Feb. 28. d—Deficit.	*1943	......	18,199	d 469	....	d0.10	d0.05	Nil	Nil	28,764	1.75	.10	1.65	H. M. Millar, pres.; F. D. Paterson, vice-pres. and gen. mgr.; E. P. Taylor, H. Walker, J. E. Irwin, all of Toronto.
	*1942	......	15,307	d2,571	....	d0.54	d0.08	Nil	Nil	14,533				
	*1941	......	d8,204	d8,204	....	d1.71	d0.15	Nil	Nil	5,680				
National Biscuit & Confection *Net earnings.	1942	160,000	*94,168	17,260	....	26.23	50.62	7.00	7.00	38,739	Not Listed			L. H. Nicholson, pres. and man. dir.; A. MacGillivray, vice-pres.; Arnold Sh sec.-treas.; H. W. Lanning, E. G. Wilders, A. W. Smillie; Vancouver.
	1941	160,000	22,955	13,023	....	19.79	33.67	7.00	7.00	37,719				
	1940	160,000	15,163	8,659	....	13.57	16.77	7.00	7.00	34,061				
National Grocers *Years ended Mar. 31.	*1943	......	1,377,445	545,668	55.86	3.79	1.11	1.50	0.40	3,635,991	9⅞	4	9¼	Archie Foster, pres. and chm. of board; M. D. Lemon, vice-pres.; H. L. McNal gen. mgr.; T. H. Kinnear sec.-treas.; David Blain, T. J. Medland, Marland Woolnou A. B. Gordon, Toronto; W. G. McLauchlan, Owen Sound; A. J. Major, Ottawa; W. Kenny, Sarnia.
	*1942	500,000	1,298,843	628,263	44.91	4.29	1.38	1.50	Nil	4,196,803				
	*1941	700,000	979,742	481,790	22.59	3.26	0.88	1.50	Nil	3,780,274				
Ogilvie Flour Mills *Years ended Aug. 31.	*1943	......	2,192,005	1,003,983	....	50.19	1.44	7.00	1.00	7,641,240	25¼	17¼	24¼	Hon. Charles A. Dunning, pres.; G. A. Morris, vice-pres. and gen. mgr.; Sir Mont Allan, R. R. Dobell, A. M. Vaughan, Beaudry Leman, Ross H. McMaster, M. W. Wils Montreal; F. K. Morrow, Toronto; Sidney T. Smith, Winnipeg.
	*1942	......	1,924,607	812,396	....	40.62	1.12	7.00	1.00	6,979,768				
	*1941	......	1,652,648	769,068	....	38.45	1.05	7.00	1.00	7,110,982				
Quinte Milk Products	1942	......	55,635	15,729	....	....	0.39	....	.20+.10	44,547	Not Listed			A. L. A. Richardson, pres., Toronto; J. M. Hartwick, vice-pres. and gen. mgr.; F. Bell, sec.-treas.; Wellington, Ont.; J. S. Dickson, W. R. Salter, Toronto.
	1941	......	53,483	20,925	....	....	0.49	....	.20+.05	45,283				
	1940	......	31,667	13,757	....	....	0.32	....	0.20	44,059				
St. Lawrence Flour Mills *Years ended Aug. 31.	*1943	......	358,216	129,512	....	23.38	2.52	7.00	1.90	786,299	35	22	31½	D. A. Campbell, pres. and man. dir.; G. W. Grier, vice-pres.; C. E. Gravel, R. Chadwick, J. Henri Labelle, C. H. Branchaud, all of Montreal; W. A. Murphy, Winnip
	*1942	......	314,836	126,045	....	22.56	2.40	7.00	1.80	724,246				
	*1941	......	314,869	114,991	....	20.00	2.08	7.00	1.50	486,413				
Silverwood Dairies *Years ended Mar. 31.	*1943	2,750,000	1,045,007	139,335	9.62	1.07	0.48	0.40	0.40	809,073	10¼	6	10¼	A. E. Silverwood, pres.; W. E. Robinson, vice-pres.; J. H. Duplan, vice-pres. and mgr.; J. H. Gillies compt. and sec.-treas.; E. G. Silverwood, R. G. Ivey, London, O E. K. Reiner, Wellesley, Ont.; E. B. Nelles, London, Ont.; W. H. Carruthers, Dr. L. Pollock, T. R. Harrison, Toronto.
	*1942	2,850,000	939,263	175,183	7.81	1.21	0.66	0.40	0.60	908,300				
	*1941	2,950,000	858,161	116,316	8.48	0.80	0.33	.40+.20	Nil	867,091				
Stop & Shop *Years ended Apr. 30. d—Deficit.	*1943	288,000	35,872	d4,035	0.56	....	....	Nil	Nil	25	.25	.15	.25	R. H. Hommel, pres.; A. D. Cobban, vice-pres.; R. W. S. Johnston, sec.-treas.; H. Housser, E. F. Coste, *T. D. Leonard, *W. C. McLaughlin, *B. N. Barrett, Toronto; *Fr Relyea, Waterloo Ont. *Representing bondholders.
	*1942	373,800	51,573	d1,810	0.87	....	....	Nil	Nil	5,861				
	*1941	416,900	70,007	d 288	1.07	....	....	Nil	Nil	8,545				
Thrift Stores *Years ended Mar. 28.	*1943	......	220,400	93,105	....	7.83	3.27	Nil	Nil	286,484	10	1	10	R. H. Hommel, pres.; A. D. Cobban, vice-pres.; Toronto; R. J. Ward, gen. mgr. a sec.-treas., Montreal; E. F. Coste, H. B. Housser, R. W. S. Johnston, B. N. Barre Toronto; W. E. Dunton, Montreal; J. J. McHardy, Hamilton.
	*1942	......	164,825	61,612	....	4.49	1.55	Nil	Nil	206,802				
	*1941	......	153,393	51,482	....	3.75	1.04	Nil	Nil	139,714				
Viau, Ltd. *Years ended Jan. 31.	*1943	......	616,453	95,943	....	10.14	1.08	5.00	Nil	457,833	6½	3	5½	Albert Hudon, chm.; Roger Viau, pres.; Guy Perron, vice-pres.; Hon. Wil Gagnon, G. Lanctot, E. D. Tetreau; Montreal.
	*1942	......	597,624	98,098	....	10.37	1.13	5.00	Nil	354,926				
	*1941	......	514,088	58,100	....	6.14	0.24	5.00	Nil	232,789				
Western Canada Flour *Years ended July 31. d—Deficit.	*1943	......	1,235,864	128,710	....	5.33	d0.21	Nil	Nil	1,284,855	8	1	5½	D. I. Walker, pres. and gen. mgr., Toronto; R. H. B. Ker, vice-pres., Victoria, B. C J. J. Page, vice-pres.; A. J. Mitchell, J. H. Gundy, F. G. Lawson, L. C. Hall, C. F. Tippet; Col. K. R. Marshall; John Davidson, London, Eng.
	*1942	......	720,371	216,562	....	8.98	0.44	Nil	Nil	906,340				
	*1941	......	402,849	227,279	....	9.42	0.52	Nil	Nil	562,313				
Western Grocers	1942	......	565,720	411,837	....	34.48	19.37	7.00	3+2	1,721,819	90	44	85	W. P. Riley, pres.; W. H. McWilliams; H. W. Hutchinson, F. O. Fowler, R. C. Ri Winnipeg.
	1941	......	424,023	291,992	....	24.45	12.30	7.00	3+1	1,584,955				
	1940	......	373,998	269,634	....	22.58	10.98	7.00	3	1,195,581				
George Weston	1942	......	2,374,563	698,729	....	39.78	1.50	5.00	0.80	1,852,606	17	9½	15¾	W. Garfield Weston, chm., Marlow, Eng.; F. W. St. Lawrence, pres., Toronto; R. Watson, vice-pres., Passaic, N.J.; R. A. Robertson, sec.-treas.; J. A. Gardiner, E. Taylor; gen. mgr., Toronto; H. C. Beach, Battle Creek, Mich.
	1941	......	1,550,305	616,010	....	35.05	1.30	5.00	0.80	1,536,301				
	1940	......	1,374,175	579,455	....	32.96	1.21	5.00	0.80	1,317,756				
Wilsil Ltd.	1942	......	376,851	182,295	....	....	1.34	....	1.00	1,509,705	19½	14½	17¾	F. K. Morrow, chm.; G. A. Wright, pres.; Daniel Brogan, vice-pres. and sec.-tre Henry MacEwan, E. C. Rettig, vice-pres.; D. A. Campbell, G. A. Morris, Montreal; J. St. Laurent, Quebec; R. W. Jameson, Antrim, N.H.
	1941	......	413,795	192,505	....	....	1.42	....	1.00	1,448,721				
	1940	......	379,128	202,547	....	....	1.49	....	1.00	1,447,437				

DIVIDEND NOTICES

BANK OF MONTREAL

ESTABLISHED 1817

DIVIDEND NO. 322

NOTICE is hereby given that a DIVIDEND of ONE DOLLAR AND FTY CENTS per share upon the paid up pital Stock of this Institution has been clared for the current quarter, payable on d after WEDNESDAY, the FIRST day of ECEMBER next, to Shareholders of record close of business on 30th October, 1943.

The Annual General Meeting of the areholders will be held at the Banking ouse of the Institution on MONDAY, the XTH day of DECEMBER next. The Chair to be taken at noon.

By Order of the Board.

B. C. GARDNER,
General Manager.

ontreal, 19th October, 1943.

Coniaurum Mines Limited

DIVIDEND NO. 23

NOTICE IS HEREBY GIVEN that a dividend of 4 cents per share has been declared by the Directors of Coniaurum Mines Limited, payable in Canadian funds, on December 22nd, 1943, to shareholders of record November 19th, 1943.

Under present conditions payment of this dividend is subject to the approval of the Foreign Exchange Control Board.

By Order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

November 3rd, 1943.

Hallnor Mines Limited

(No Personal Liability)

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Five Cents (5c) per share, payable in Canadian funds, has been declared by the Directors of HALLNOR MINES LIMITED (No Personal Liability), payable December 1, 1943, to shareholders of record at the close of business November 10, 1943.

By Order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ont., November 3, 1943.

WAITE AMULET

MINES, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Twenty Cents (20c) per share, payable in Canadian funds, has been declared by the Directors of WAITE AMULET MINES, LIMITED, payable December 10th, 1943, to shareholders of record at the close of business November 10th, 1943.

By order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ont.,
November 3rd, 1943.

*Sherritt Gordon Mines Limited

(No Personal Liability)

DIVIDEND NO. 8

NOTICE IS HEREBY GIVEN that a dividend of 3 cents per share has been declared by the Directors of Sherritt Gordon Mines Limited (No Personal Liability) payable in Canadian funds on December 22nd, 1943, to shareholders of record November 12th, 1943.

Under present conditions payment of this dividend is subject to the approval of the Foreign Exchange Control Board.

By Order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

November 3rd, 1943.

Canadian Breweries Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of eighty-five cents (85c) per share on the Cumulative Sinking Fund Convertible Preference Shares without nominal or par value in the Capital Stock of the company has been declared payable on the 1st day of January, 1944, to Shareholders of record at the close of business on the 15th day of November, 1943.

By order of the Board.

W. C. BUTLER,
Secretary.

Toronto, Ontario,
November 2nd, 1943.

Ottawa Light Heat and Power Company, Limited

The following dividends are payable 1st January, 1944, to Shareholders of record 10th November, 1943.

PREFERRED STOCK: 1¼% (being at the rate of 5% per annum).

COMMON STOCK: Fifteen Cents (15 cts) per share on the No Par Value Shares.

The transfer books will not be closed.

By Order of the Board.

F. W. FEE,
Secretary.

Ottawa, 3rd November, 1943.

Lake Shore Mines Limited

(No Personal Liability)

DIVIDEND NO. 95

NOTICE is hereby given that a dividend of Twenty Cents per share, on the issued capital stock of the Company, will be paid on the fifteenth day of December, 1943, to shareholders of record at the close of business on the fifteenth day of November, 1943.

By Order of the Board.

KIRKLAND SECURITIES
LIMITED
Secretary

Dated at Kirkland Lake, Ontario,
November 1st, 1943.

A·E· CORP'N LTD.

AMALGAMATED ELECTRIC CORPORATION LIMITED

DIVIDEND

NOTICE IS HEREBY GIVEN that a Dividend of thirty cents (30c) per share has been declared on the outstanding shares, without nominal or par value, of the capital stock of the Company, such Dividend to be payable on January 2, 1944, to Shareholders of record at the close of business on November 30, 1943.

By Order of the Board,

WILLIAM CARSWELL,
Secretary.

DIVIDEND NOTICES

The Bank of Toronto

DIVIDEND NO. 249

Notice is hereby given that a **Dividend of Two and One-half** per cent upon the Paid-Up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its branches on and after the first day of December next, to shareholders of record on November 15th, 1943.

By Order of the Board.

B. S. VANSTONE,
General Manager.

PAMOUR PORCUPINE

MINES, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of 5 cents per share, payable in Canadian Funds, has been declared by the Directors of PAMOUR PORCUPINE MINES, LIMITED, payable December 20th, 1943, to shareholders of record at the close of business November 19th, 1943.

By order of the Board.

J. R. BRADFIELD, Secretary.
Toronto, Ont., November 8th, 1943.

CANADA WIRE & CABLE COMPANY

LIMITED

DIVIDEND NOTICES

PREFERRED DIVIDEND NO. 59.

TAKE NOTICE that the regular quarterly Dividend of $1.625 per share, on the outstanding Preferred Stock of the Company for the three months period ended November 30th, 1943, has been declared as Dividend No. 59, payable December 15th, 1943, to Shareholders of record at the close of business November 30th, 1943.

CLASS "A" DIVIDEND NO. 33.

ALSO TAKE NOTICE that a Dividend of $1.00 per share on the outstanding Class "A" Common Shares of the Company has been declared as Dividend No. 33, payable December 15th, 1943, to Shareholders of record at the close of business November 30th, 1943.

CLASS "B" DIVIDEND NO. 23.

ALSO TAKE NOTICE that an Interim Dividend of 25 cents per share on the outstanding Class "B" Common Shares of the Company has been declared as Dividend No. 23, payable December 15th, 1943, to Shareholders of record at the close of business November 30th, 1943.

By Order of the Board.

A. I. SIMMONS,
Secretary.

Toronto, November 5th, 1943.

The Bank of Nova Scotia

Dividend No. 296

Notice is hereby given that a Dividend of two and one-half per cent on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of December 16th, and that the same will be payable on and after Monday, the third day of January next, at any of the offices of the Bank in Canada.

By order of the Board.

H. D. BURNS,
General Manager.

Halifax, N.S., November 9th, 1943.

Canadian Malartic Gold Mines Limited

25 King Street West, Toronto.

DIVIDEND NO. 21

NOTICE IS HEREBY GIVEN that a dividend of 2 cents per share has been declared by the Directors of Canadian Malartic Gold Mines Limited, payable in Canadian funds on December 22nd, 1943, to shareholders of record November 17th, 1943.

Under present conditions, payment of this dividend is subject to the approval of the Foreign Exchange Control Board.

By Order of the Board,

H. WHITTINGHAM,
Secretary-Treasurer.

November 4th, 1943.

NORANDA MINES, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of One Dollar ($1.00) per share, payable in Canadian funds, has been declared by the Directors of Noranda Mines, Limited, payable December 15th, 1943, to shareholders of record at the close of business November 15th, 1943.

By order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, November 4th, 1943.

The Consumers' Gas Company of Toronto

NOTICE
of
ANNUAL MEETING

The **ANNUAL GENERAL MEETING OF THE SHAREHOLDERS** of The Consumers' Gas Company of Toronto, to receive the report of the Directors, for the Election of Directors for the ensuing year and for the transaction of such other business as may properly be transacted at the meeting, will be held in the Company's Auditorium, 55 Adelaide St. East, Toronto, on **MONDAY** the **15th DAY OF NOVEMBER, 1943,** at 12 o'clock noon.

By Order of the Board.

EDWARD J. TUCKER,
General Manager.

Toronto, October 7th, 1943.

DIVIDEND NOTICE

Canada Malting Co., Limited

NOTICE is hereby given that a quarterly dividend of Fifty Cents (50c) per share and a bonus of Fifty Cents (50c) per share have been declared on the no par value stock of the Company. The above dividend and bonus are payable December 15, 1943, to Shareholders of record at the close of business on the 15th day of November, 1943.

Share Warrant Holders will present Coupon Serial No. 64 to The Royal Bank of Canada, MONTREAL, TORONTO, WINNIPEG and CALGARY, on or after December 15, 1943

By Order of the Board,

JOHN P. HEIGHTON,
Secretary.

Dated at Montreal,
November 3rd, 1943.

Railways Moving Wheat Fast

Visible Stocks 100 Million Bus. Under Last Year

From Our Own Correspondent

WINNIPEG. — The railways are making a good job of rushing a large quantity of wheat to the lakehead in order to ensure loading of all the lake vessels now being assigned to grain traffic. Approximately 1,000 cars of wheat are being loaded daily, and last week's shipments from country elevators reached a total of 12.50 million bus.

As a result farmers are enabled to deliver more wheat at country points. But although last week's deliveries were considerably stepped up from those of the previous week, they fell far short of replacing wheat shipped out, with a total of only 6.5 million bus.

By the end of last week total wheat deliveries for the crop season amounted to 57.5 million bus., against deliveries of 84 million bus. of other grains. Where possible farmers have shown a preference for delivering oats and barley as opposed to wheat.

Chicago wheat prices have shown a tendency to be influenced by war news, and to weaken slightly on suggestions for an early end to the war, although they picked up again close to the maximum levels reached for the season.

It is understood that some business is being done by the Canadian Wheat Board in exports to the United States at a price above the initial payment basis of $1.25 being paid to farmers for new deliveries. So far the basis of sales for domestic flour to Canadian mills of wheat which recently became government property, is being maintained at the level of $1.25.

Visible wheat stocks at the end of last week were down to 359 millions, close to 100 million bus. less than the corresponding figure for last year. The decline is thought likely to continue for some time, as heavy all-rail shipments to the U. S. are in prospect as soon as the close of navigation brings an end to the demand for wheat at the head of the lakes.

The Business Of Farming

By GORDON L. SMITH

In looking around for potential markets for manufactured goods after the war there appears to be one right at our door if some way can be found to tap it. This market is Canada's agricultural population which embraces five million people and consists of 733,000 individual farm holdings. So far as household equipment and appliances are concerned the development of this market has been hardly scratched.

* * *

$1.5 Billions Market

In a recent speech before a group of Canadian business men, Dr. E. S. Archibald, head of the Dominion Experimental Farms system said that only 8% of Canadian farms had modern sanitary facilities; 7% had bathing facilities; less than 20% had electric light, and only 12% had furnaces.

Dr. Archibald might well have added that probably 50% of the farm homes in Canada could be completely rebuilt without any undue economic extravagance. Many of them, indeed, especially in the outlying sections of the country, would be condemned in the average city.

To do necessary rebuilding and to modernize the others would require a capital expenditure of at least $2,000 per farm or a total of $1.5 billions or 50% more than the value of our total export trade in a normal year. Supplying the goods, materials and direct labor required would keep thousands of skilled workers busy for several years and the maintenance and other upkeep to follow would provide much permanent employment.

* * *

Labor and Materials

For this giant rural rehabilitation job principal direct labor involved would come from the plumbing, electrical, tinsmithing, carpenter, masonry, plastering, roofing and drainage trades. Principal materials required would be lumber, bricks, cement, lime, shingles, building hardware, paint, tile, plywood, plaster and paper board, plumbing, heating and electrical equipment, stoves, pumps, pipes, septic tanks, refrigerators, lamps, wall paper, furniture, etc.

And everything said so far only applies to the farm home. Right next door would be the barns, poultry houses and other outbuildings and the fields that go to make up the complete farm. Here also is a huge potential market for modern equipment, but thanks to the efficiency of our farm machinery and stable equipment manufacturers, this has been much better supplied than the farm home.

* * *

The Bottleneck

The tapping of this farm market is not so much a matter of education as plain economics. It is true that some selling will have to be done but the main thing is the wherewithall to buy. Farmers are just as eager to have bathrooms, running water, modern kitchens, and electric light as city people.

Unfortunately in the past the majority of them have not had the money. Today the story is different Now thousands of them have the means to buy, but goods and skilled labor are not available. After the war when that situation is remedied there should be a good business along the concession lines exchanging war bonds for better living conditions and if through wider world markets or other means Canadian agriculture becomes permanently prosperous, that business will broaden and grow to amazing degree.

* * *

Livestock Trends

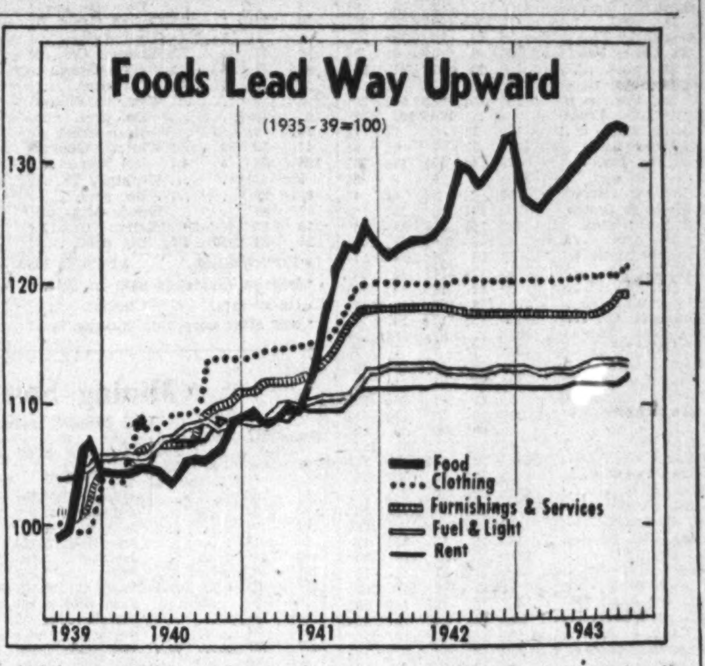
Returns from a survey conducted this summer show that there was more livestock on the farms of Canada than ever before and with the exception of horses, all major lines gained substantially in the last 12 months. Compared with a year ago cattle were up 8.1%, sheep 8.2%, hogs 14.4%, poultry, with exception of turkeys, up 10.1%.

Gains in hogs and beef cattle were particularly noted in the Prairie Provinces while the Nova Scotia, New Brunswick and Saskatchewan recorded the greatest expansion in sheep. In the ranching area of the west, beef cattle were reported to have increased sharply, due to more breeding stock being retained and also the fact that cattle were being held longer and fed to heavier weights before marketing.

There is bad news to Christmas diners from the turkey front. Due to bad weather—these birds are very susceptible to excessive wet—population is down almost 20% from a year ago.

It is important to note that the survey was actually carried out last summer with tabulated figures only now available. It is quite possible that some changes have occurred in the meantime, especially in hogs, where considerable liquidation is reported both from Eastern and Western Canada. This liquidation, however, will not reduce the commercial run of hogs to slaughter houses this fall, but will in fact add to it. But because breeding stock is sacrificed it will result in reduced runs next year.

Tooke Bros. new common shares have been admitted to trading on the Montreal Stock Exchange. Under the plan approved by shareholders 14 shares of new common will be given to each holder of five of the present preferred shares and one new common for each five of the old common stock.



With a gain of about 34% since Aug. 1, 1939, foods have lead the components of the D.B.S. living-cost index, followed by clothing and home furnishings. Rents, fuel and light have been stable since pegged in Oct., 1941. A miscellaneous group, not charted here, has shown a 7% rise since the war started.

Company Reports

United Grain

Financial statement of United Grain Growers Ltd., presented to the annual meeting of the company on Nov. 10, shows a successful year ended July 31, 1943. Gross profit for the year, after writing off $24,395 in respect to temporary storage annexes and adding $400,000 to patronage dividend reserve, is $1.2 millions. Net profit for the year after bond interest, depreciation to the amount of $486,103 and taxes of $225,000, is $244,769. This compares with $220,810 for 1942.

Dividend of 5% on class A and B shares amounted to $158,644. Other deductions included appropriation of $19,630 for the redemption of class A shares during the year, and $46,501 refinancing expense.

Earned surplus carried forward amounts to $458,412 as against $438,418 the previous year.

The company owns and operates 528 country elevators, an increase of 82 during the year, principally on account of purchase of the elevator system formerly owned by the Gillespie Grain Co.; terminal elevator at Port Arthur is owned and operated by the company, and terminals at Vancouver and Victoria operated under lease. Total capacity of elevators and temporary storage annexes adjacent thereto is approximately 45 million bushels.

Federal Grain

Years Ended July 31:	1943	1942
Earn. per share ("A" & "B")	$0.14	$0.36
Paid	nil	nil
Working capital	$2,202,670	$1,643,780

(Note—Figures in parenthesis below refer to the previous year.)

Lowered earnings for the years ended July 31, 1943 are accounted for by reduced storage rates, ordered by the Board of Grain Commissioners, and payment of higher prices for grain. The latter was necessary to maintain the company's business in the face of patronage dividend payments made by some elevator companies, H. E. Sellers, president of Federal Grain, states in his annual report.

During the year profits of $221,856 ($267,158) were earned and in addition a profit made on sale of properties amounting to $115,053. This last is not included when calculating the earnings per share.

Working capital was substantially increased, due largely to sale of facilities which were duplicated when Alberta Pacific Grain was purchased through Federal's newly-formed subsidiary, Algoma Grain Securities. Purchase of Alberta Pacific was explained by the president by the need to ensure the continuance of the business received from it, which accounts for a large portion of Federal Grain's income.

A further $175,000 of first mortgage bonds were redeemed during the year, reducing outstanding to about $2.4 millions. Drought conditions, it is pointed out by the president, have resulted almost in a halving of this year's wheat crop as compared to last, but this will be somewhat offset, from the company's point of view, by the large stocks of wheat still remaining on western farms. Dividends of $4 a share were paid on the preferred stock. Arrears to Sept. 1, 1943, amount to $69.25 a share.

International Milling

Years Ended Aug. 31:	1943	1942
Earn. per share (pref.)*	$48.73	$34.61
Paid—5% and 4% on former pref. shares.		
Working capital	$13,647,469	$12,453,539

*Based on $5,588,600 of new 4% preference stocks.

(Note: Figures in parenthesis below refer to previous year's operations.

The fiscal year of International Milling ended Aug. 31, just prior to reduction of interest rate on the company's 5% preferred stock, which was approved by the shareholders in September. In the annual balance sheet, however, the capital account is set up on the assumption that all preference shareholders take advantage of the offer, effective Oct. 15, to exchange their present stock for new 4% stock on the basis of one old for 1 1/20 new shares. Earnings on the preference shares are calculated on the same basis for the two years past. Number of preference shares outstanding is put at 55,886.

Profits increased during the past year, to $2.7 millions ($1.9 millions). Of this about $224,000 will be required to pay annual dividends on the new first preference stock. In calculating earnings on the preferred, no allowance is made for payment of dividends on the second preferred stock of Robin Hood Flour Mills, since these are not paid at any fixed rate. Dividends on the latter during the past fiscal year amounted to $654,811. Surplus at Aug. 31, 1943, amounted to $12 millions ($10.4 millions).

St. Lawrence Flour Foresees Big Demand

Current operations of St. Lawrence Flour Mills' plant is at capacity as it has been for some time past, D. A. Campbell, president, told shareholders at the annual meeting. Demand from overseas, he added, "has been tremendous," and "it is reasonable to assume that the demand will increase in ever-increasing proportions as more and more countries are liberated from the Germans."

Reports were adopted by the shareholders and officers re-elected.

John Inglis Co.—A survey of the prospects of this company together with an analysis of its annual report has been issued by Moss, Lawson & Co., Toronto stock brokers. Reporting on John Inglis Co. connections which will be valuable for postwar business, the survey sees little difficulty in maintaining earnings after the war with heavy write-offs for plant and royalties completed; depending on reduction or elimination of EPT, it is thought that there might be a considerable increase in earnings.

Mine and Oils In TSE Listing

Springer, Mid-Continent & Pacific Oil Make Appearances

Three oil and mine listings have been made on the Toronto Stock Exchange recently, Mid-Continent Oil & Gas, Springer Sturgeon Gold Mines and Pacific Oil & Refinery. The first two mentioned were called for trading Nov. 9, Pacific Oil & Refinery being listed Nov. 2.

Mid-Continent Oil has announced arrangements made with Standard Oil Co. of B. C. guaranteeing completion of eight wells on the 31,500-acre holding in the Taber field of southern Alberta. Its Nos. 1 and 2 wells are at present drilling, with No. 1 down to 3,279 ft. Mid-Continent is assuming two thirds of the cost of the new wells and Standard Oil a third, with production to be divided in the same ratio. The company's present cash holdings are reported sufficient to pay for its share of the drilling. Authorized capital is four millions n.p.v. shares of which three million are issued.

Springer Sturgeon Gold Mines have an authorized capital of three million shares of no par value, of which 2,125,005 are issued. Through its subsidiary, Canadian Industrial Minerals, it operates the largest barite producer on the North American continent. The company also receives a steady income from holdings of shares in Leitch Gold Mines, 107,200 of which were sold recently to pay off note indebtedness, leaving 300,000 shares on hand.

Pacific Oil and Refinery, listed Nov. 2, was incorporated in April, 1943. It has an authorized capital of three million no par value shares of which 1,550,005 are issued. The company holds oil and gas leases in the Del Bonita, Twin River and Taber fields of Alberta, with one producing well, Twin River No. 3, producing 40 barrels of oil a day. Del Bonita No. 1 has completed drilling at 5,080 ft. and is being cased off. Reports are favorable. The Twin River No. 1 well is also drilling, and will be pushed forward on full time now that equipment engaged on the Del Bonita can be released.

Through its wholly owned subsidiary, Pacific Oil & Refinery of Alberta, Ltd., the company owns a fully equipped refinery at Lethbridge, with a capacity of 2,000 barrels of crude oil a day. The refinery began operations Sept. 27, 1943.

NOTICES

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the eighth day of December, 1943, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 23rd October, 1943.

DIVIDEND NOTICES

MADSEN RED LAKE GOLD MINES

LIMITED

(No Personal Liability)

Room 812, 67 Yonge Street, Toronto

DIVIDEND NO. 7

NOTICE IS HEREBY GIVEN that a dividend of 3 cents per share has been declared by the Directors of Madsen Red Lake Gold Mines Limited (No Personal Liability), payable in Canadian funds on December 16th, 1943, to shareholders of record November 17th, 1943.

By Order of the Board.

M. MASTERSON,
Secretary-Treasurer.

Toronto, November 9th, 1943.

Investment Foundation Limited

Preferred Dividend No. 59

A regular Dividend of 75 cents per share has been declared on the 6% Cumulative Convertible Preferred stock of this Company, for the Quarter ending December 31, 1943, payable January 15, 1944, to shareholders of record December 15, 1943.

Common Dividend No. 1

An initial interim dividend of 25 cents per share has been declared on the Common stock of this Company, payable January 15, 1944, to shareholders of record December 15, 1943.

By Order of the Board.

R. M. BROWN,
Secretary-Treasurer

Banque Canadienne Nationale

Quarterly Dividend

NOTICE is hereby given that a dividend of one and a half per cent (1½%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 30th day of November, 1943. This dividend, bearing the number 211, will be payable at the Main Office or at the branches of the Bank, on or after the 1st day of December, 1943, to the shareholders of record on November 15, at 3 p.m.

By Order of the Board,

CHARLES ST-PIERRE,
General Manager.

Canadian Car & Foundry Company Limited

DIVIDEND NOTICE—PREFERENCE STOCK

Notice is hereby given that a dividend of fifty-three cents (53c) per share on the Paid up Preference Stock of the Company for the quarter ending December 31st, 1943, has been declared, payable on the 10th day of January, 1944, to Shareholders of record on the 21st day of December, 1943.

By Order of the Board,

A. C. BOURNE,
Secretary.

Montreal, November 4th, 1943.

Sylvanite Gold Mines, Limited

(No Personal Liability)

TO SHAREHOLDERS AND HOLDERS OF SHARE WARRANTS:

NOTICE OF DIVIDEND NO. 53

TAKE NOTICE that a regular quarterly Dividend of 3% (i.e., three cents per share) on the outstanding Capital Stock of the Company, payable in Canadian funds, has been declared as Dividend No. 53.

Such Dividend will be payable January 15th, 1944, to Shareholders of record at the close of business November 15th, 1943.

In the case of Share Warrants, such Dividend will be payable on or after January 15th, 1944, in respect of the shares specified therein upon presentation and delivery of Coupon No. 53 at:

The Canadian Bank of Commerce, Toronto, or any Branch of said Bank in Canada (far Northern Branches excepted), or Liberty Bank of Buffalo, Buffalo, N.Y.

By Order of the Board.

W. S. WALTON,
Secretary.

Toronto, November 5th, 1943.

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•
Also Owning and Operating
THE SARNIA ELEVATOR
CO. LIMITED
SARNIA ONTARIO

QUEEN'S QUAY, TORONTO

SNAP decisions?

Don't be misled by the boss who snaps his decisions like an army corporal. The chances are he's long ago incubated those decisions in the comforts of his overstuffed chair. He sees all four sides of the problem today because he's seen the problem coming — got outside interpretations of it — watched how other executives have solved it. Check on him over the weekend and you'll find him reading The Financial Post. It's there that he gets close to business problems as fast as they come up — and that's pretty fast, these hectic days!

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THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING NOVEMBER 8

Range 1943 High	Low	Div. Nov. 6 R'te $	Y'ld %		Sales	Last Nov. 1	Week end. Nov. 8 H	L	Cl'se
4.25	.59	●	...	Abitibi	4575	2.75	2.63	2.12	2.25
33	5	●	...	Do. pref. 6%	7790	29¼	28½	23¾	24
11	8	.	...	Algoma Steel c	515	10	10	10	10
90	81	5	5.6	Do. pref.	60	88	89	88	89
102¾	100	5	4.9	Alum. of Can p	496	102	102	101½	101½
133½	104	8+2	9.4	Aluminium	751	109½	109	104	104
122	116	6	5.1	Do. pref.	60	122	117½	117½	117½
25¾	21½	1.40	5.7	Asbestos	851	24¾	24¾	24	24
21½	10	1.25	5.9	Assoc. Brew.	225	20	21½	20¾	21½
161	147	6	3.9	Bk. Montreal	117	157	157	155½	157
259	223	10	4.1	Bk. N. Scotia	20	245	245	242½	245
255	230	10	4.1	Bk. Toronto	5	242	240	240	240
3.00	.85	.	...	Barker's Bread	10	3.00	3.00	3.00	3.00
40	21	.	...	Do. pref.	50	36	40	40	40
15½	12	1	7.7	Bathurst Pr.	360	13½	13½	12¾	12¾
3¾	1½	.	...	Do. (B)	10	3	2½	2½	2½
9	6½	.80	11.8	Beath & Sons	10	8	6¾	6¾	6¾
24	14½	1	4.3	Beatty Bros. A.	315	23½	24	23	24
11¾	9½	.	...	Beauharnois	77	11	11	11	11
122¾	119	7	5.7	Belding Cort. pf	10	120½	122¾	122¾	122¾
160	140¾	8	5.1	Bell Telephone	513	157	159	156	156½
9	6½	.60	6.7	Biltmore Hats	95	8½	9	9	9
8½	4¾	.	...	Blue Ribbon	200	8	8	8	8
42½	29¾	2.50	5.9	Do. pref.	120	41¾	42½	42½	42½
28½	14½	1.75	...	Brazilian Tr.	19985	25	25½	20½	20½
8¾	5	.50+.10	7½	Brew & Distil.	560	8	8¾	8	8
22½	17⅝	1	4.6	Brit. Amer. Oil	2450	22½	22½	21½	21¾
26	16	1.50	6.5	B. C. Packers	275	23	24	22½	22½
29	23	2	8	B. C. Power A.	325	24½	25¾	24½	25¾
5½	2	.	...	Do. (B)	160	3½	3	3	3
10¾	5½	.40	5	Bruck S. Mills	310	8¾	8¾	7¾	8
17	13	.60	3.6	Building Prod.	435	16¾	17	16½	16¾
11½	9½	.60	6	Burlington St'l	140	10½	10	9¾	10
7	4	†.25	...	Caldwell Linen.	10	5½	5	5	5
11¾	9½	.80	8	Do. 2nd pref.	70	10½	10½	10	10
7½	2¾	.10	...	Canada Bread	15	7½	7	7	7
60	40	2.50	4.2	Do. pref. (B)	15	58	60	58½	58½
9	4½	.	...	Canada Cement	1700	8½	8	7¾	7¾
107	92	5	4.7	Do. pref.	245	105	106	105	105
22¾	17¾	.80	3.8	C. & D. Sugar.	280	21¾	21½	21	21
27	20	1.50	7.3	Can. Forg. (A)	125	21	20¾	20½	20¾
43	25	1.50	...	Do. (B)	20	30	35	35	35
83	55	.	...	Can. Iron, c	25	80	83	83	83
44	36½	2+.50	5.8	Can. Malting	700	43¾	43½	42	43
12	5¾	.60	6.6	Can. Nor. Pr.	175	9½	9½	9	9
101	85	7	7	Do. pref.	30	100	99½	99	99
98	79½	4	4.2	Can. Packers	30	97	95	95	95
150	125	8	5.5	Can. Perman.	36	145	145	145	145
14½	8¾	.50	...	Can. Steamsh's.	2765	11	10¾	9½	9½
38	31	2.50	7.4	Do. pref.	666	34	34½	32	32
10	6½	.40+.10	5	Can. Vinegars.	315	9½	10	9½	10
24	17¾	1	...	Can W Cable B	25	18½	18¾	18¾	18¾
110	106½	6.50	5.9	Do. pref.	20	110	109	109	109
6½	2¾	.	...	Can. Bakeries	100	5¾	5	5	5
93	66	5	5.4	Do. pref.	50	92	92	92	92
144	128	6	4.6	Can. Bk. Com.	79	132	132	128	132
6.50	1.30	.	...	Can. Breweries	5780	6.00	6.12	5.50	5.50
42¾	27¾	3.40	8	Do. pref.	240	42½	42¾	41½	41¾
35	32	1.50+.50	6	Can. Bronze c.	250	32½	32½	32½	32½
9¾	6½	.50	5.9	Can. Canners	30	8½	8½	8½	8½
14	10½	.60+.20■	7	Do. 2nd pfd.	1065	12½	12	11¾	11¾
12	7½	.	...	Can. Car & F'y	1600	8¾	8¾	8	8
27¾	25½	2.10	8	Do. pref. new	3440	27	27	26½	26½
30¾	27	2.10	7.2	Do. pref. old.	670	29½	29	28½	28½
39½	27½	1+1	5.4	Can. Celanese	370	37½	37½	37	37
151	132	7+.94■	5.4	Do. pref.	75	150	150	145	145
33	17½	2	6.9	Can. Converters	400	31½	31	29	29
126	120	6	4.8	Can. Cottons pf	115	126	125	125	125
19	15	1	...	Can. Dredge	95	18½	18	17½	17½
39	22	2	5.2	Can. Food Prod.	95	38	39	39	39
33½	25	2	...	Can. For. Inv. c	125	25½	25½	25	25
216	200	8	3.7	Can. Gen. Elec.	5	205	216	216	216
10½	8½	.60	5.7	Can. G. Inv.	190	10½	10½	10½	10½
6½	3¾	.10*	...	Can. Ind. Alc.	2750	6½	6½	5	5
6	3½	*.10	...	Do. (B)	700	6	6	5½	5½
169	148	3.75*	..	Can. Indust. B.	65	160½	162	160	160
171½	160	7	4	Do. pref.	5	171	171	171	171
.65	.20	●	...	Can. Int. I. Tr.	100	.60	.50	.50	.50
26	10	.	...	Can. Locomo.	125	20	20	19	19
3.12	.50	.04	...	Can. Marconi	2275	2.00	2.00	1.75	1.75
12½	7¾	●	...	Can. Pacific	27451	10¾	10½	8¾	9
1.15	.20	●	...	C. Pr. & Pa. In.	200	.50	.60	.60	.60
10½	1¾	●	...	Do. pref.	525	7	6¾	6	6½
7¾	3¾	●	...	Can. Vickers	525	6½	6½	5½	5½
77	25½	.	...	Do. pref.	95	50	46	45	45
48	39½	2	4.2	Can. West'h'se	300	48	48	47½	47½
20	17½	1.50+.25▲	8	C. Wire Box.	150	20	19	18½	18½
5	1	.	...	Ch. Gai Wines.	400	5	5	5	5
.47	.10	●	...	Chem. Research	500	.23½	.23	.23	.23
.15	.03	.	...	Claude Neon	500	.15	.15	.15	.15
1.90	1.10	.12	...	Coast Brew.	2500	1.53	1.60	1.53	1.60
13¾	9½	.50	...	Cockshutt Plow	1725	12½	12½	12	12½
3½	2½	.20	...	Com. Alcohol c	450	2½	2¾	2¾	2¾
6¾	5	.40	6.7	Do. pref.	25	6	6	6	6
15½	9½	.80	5.2	Cons. Bakeries.	235	15½	15½	15½	15½
.45	.05	.	...	Cons. Div. Sec.	47	.30	.15	.12	.12
12	6	.75	6.2	Do. pref.	27	12	12	12	12
6½	3	.	...	Cons. Paper	11427	5	5½	4½	4½
46½	37½	1+1.50	6	Cons. Smelters	2493	41½	41½	37½	38
136	121	8	5.9	Consumers' Gas	145	135	135	134½	135
29	27	2	7	Consum. Glass.	627	28½	28¾	28	28
25	21	1.20+.15	5½	Cosmos Imp.	100	24½	24½	24½	24½
1.30	.50	●	...	Cub Aircraft.	100	.70	.70	.70	.70
6½	4	●	...	De Havilland c.	25	4½	4	4	4
14½	10	.	...	Disher Steel, p.	180	14	14½	12½	12½
41½	25¾	2.22	6.1	Distill-Seag. c	865	38½	38½	34	34
167	142½	8	5	Dom. Bank	43	162	160	160	160
31½	23¾	1.20	4.8	Dom. Bridge	410	25½	25½	23¾	23¾
16½	10	1.88▲	...	Dom. Coal, pf.	1455	16½	16	15	15
7½	5	.	...	Dom Envelope c	25	6½	6¾	6¾	6¾
23	21¾	1.50	6.8	Dom. Fab. 2 p.	25	23	22	21¾	22
30	20¾	1.10+.35	6	Dom. Found.	1871	25	25	22	22
126	120	5	4	Dom. Glass, c.	50	124	124	124	124
159	152	7	4.4	Do. pref.	10	159	157	157	157
30	24	1.20+.40	5½	Dom. Oilcloth	1570	30	30	29¾	30
33	22	2.50	...	Dom Scot Inv p	85	31	33	32	32
11	8	.	...	Dom. St. & C.B.	2940	9	9¾	8	8½
10½	5½	.40	...	Dom. Stores	130	9½	9¾	9½	9½
10	6	.	...	Dom Tar & C	1000	9	9	8½	8½
105	90¾	5.50	5.2	Do. pref.	25	103	105	105	105
81	74	5	6.7	Dom. Textile, c	55	75	75	74¾	75
156	151	7	4.5	Do. pref.	65	155	156	156	156
8	2	.	...	Dom. Woollens.	385	4½	5½	4½	4¾
14½	8½	.60	5.2	Do. pref.	365	11¾	11¾	11	11
7½	3¾	.	...	Donnacona P.	1735	6½	6½	5½	5½
8¾	5½	.	...	Dryden Paper	1285	8	8½	7	7
35	14	.	...	East Dairies, pf	406	30	30½	30	30
16½	12	1	6.7	East Steel	35	16	15	14	15
8	2¾	.	...	Easy Washing	150	7¾	7¾	7¾	7¾
10	5½	.	...	Electrolux	50	8½	8½	8½	8½
7	3	.	...	Enam. & Heat.	50	5½	5	4¾	4¾
32½	20	1.12*	..	English Elec. A	50	21½	22	22	22
4¾	2½	.	...	Fairchild Air	925	3	2¾	2½	2½
30	21	1.50+.25	6	Fanny Farmer	955	29¾	29¾	29	29
6¾	3½	.25†	.	Fleet Aircraft	1325	4	4	3¾	3¾
24¾	19½	1	4.1	Ford Motor A	2027	24½	24¾	23½	23½
16¾	14	1.40	9.3	Foundation Co.	690	15½	15½	15	15
20	12½	.	...	Fraser Cos.	345	19	18	16¾	16¾
20½	12½	.	...	Do. Vot. Tr.	2805	19	19	16	16
11½	7¾	.60	7	Gatineau Pwr.	60	8¾	8½	8½	8½
100	77	5	5.9	Do. pref.	265	86½	86½	85	86
14½	7½	.50	...	Gen. St. Wares	4105	12	12	10	10¾
110	94	7+.63■	7	Do. pref.	35	109½	109½	109½	109½
93	62	2.50+1		Goodyear Tire c	36	89	90	89	90
7	3	.	....	Gt. Lakes Pap.	320	6	6½	6	6½
23	16	1.50	...	Do. pref.	120	20	21	21	21
6½	3½	.	...	Do. Vot. tr. c	300	5½	5¾	5½	5½
23	14¾	1.50	...	Do. Vot. tr. p	160	20¾	21½	20½	20½
103	103	5	4.8	Guaranty Trust	4	..	103	103	103
8	4½	.	...	Gurd, Chas. c.	170	7½	8	7¾	7¾
7¾	4½	.	...	Gypsum Lime	1420	6¾	7	6½	6½
15¾	13½	.80	5.5	Halifax Ins.	25	14½	14½	14½	14½
8	4¾		...	Ham. Bridge	2005	6	6	5	5½
4¾	3	.20	...	Harding Carpet	195	4½	4¾	4¾	4¾
16½	13½	1	6.3	Hinde & Dauch	250	15¾	16	15¾	15¾
16½	12		...	H. Smith Pap.	725	14½	14½	14	14
107	98	6	5.7	Do. pref.	40	107	106½	105	105
14	8	.75	...	Humberstone S.	50	14	14	14	14
17½	7½	.50	...	Hunts (A)	85	17½	17½	16	16
17½	7	.50	...	Do. (B)	35	17	16	14½	14½
185	157	8	4.5	Imperial Bank	16	178	178	178	178
17½	11¾	.50	3.4	Imperial Oil	12249	15½	15¾	14	14
12½	10	.40+.15	5	Imperial Tob.	4061	12	12	11½	11½
8	6½	6%	...	Do. pref.	335	7	7	7	7
10	8	.50+.10	6	Imp. Varnish c	25	10	10	10	10
22½	13	.	...	Indust Accept c	100	21	21	21	21
23	18½	1.50	7.3	Inter. Bronze, p	15	21	21	20½	20½
17	10	.25	...	Int Metal Ind c	310	16	16	15½	15½
100	90	6	6.1	Do. pref.	40	99½	100	99	99
116	112½	4	...	Int. Mill., pf.	40	115½	115½	115	115
39¾	29	2	6.7	Int. Nickel	24642	33	32½	29	29½
75	60½	5	6.7	Int. Pap. & P. p	10	73½	75	75	75
24	[illegible]	1	4.5	Int. Pete	4847	22½	22½	21¾	21¾
17½	6	.	...	Int. Power	335	17½	17½	16¾	16¾
110	95	7+5▲	6.4	Do. pref.	140	108½	109	108½	108½
17	3½	.	...	Int. Util. (A)	885	16	17	15½	17
.75	.10	.	...	Do. (B)	1911	.25	.30	.10	.30
11½	11	.68	6.2	Jam. Pub. Ser.	300	11	11	11	11
103	101	7	6.8	Do. pref.	10	101	103	103	103
18½	10	.	...	L. St. John Pr.	1802	16	16½	16½	16½
26½	19	1.20	5.1	L. of Woods, c.	560	24	24¾	23	23½
16	12	.70+.30	7	Lang, J. A.	180	13½	13½	13	13
14	9¾	.80	5.8	Laura Secord	570	13¾	14	13½	13½
11	8	.	...	Legare, pref.	30	10¾	10¾	10¾	10¾
8	7	.	...	Lindsay C. W. c	25	8	8	8	8
24½	19¾	1+.25	5.3	Loblaw (A)	235	23½	23¾	23½	23½
22¾	17½	1+.25	5.7	Do. (B)	240	22	22½	21½	22
20	13	1	5.5	Maclaren Pr.	415	18½	18¾	17½	17½
7½	4½	.70	9.8	M. L. Gardens p	10	7½	7½	7½	7½
9½	4½	.	...	Maple Leaf M.	1060	7¾	7½	7½	7½
17	10½	.	...	Do. pref.	925	15	15¾	15½	16¾
10	5½	.	...	Massey-Harris	2392	8½	8½	7¾	8
22	14½	1.25	6.4	Do. pref.	1140	19½	20	19	19
9¾	6	▲.15	...	McColl Fron.	1230	8½	8½	7¾	8
104½	99½	6	5.7	Do. pref.	10	103	104½	104½	104½
7	5	.60	8.6	Melchers, pref.	50	7	7	7	7
22	16½	2	...	Mitchell, Robt.	995	19	19½	17½	17½
75	65	7	...	Monarch Knit p	5	74	72	72	72
37½	32	12%	..	Monarch Life	5	37½	33	33	33
75	67	4	5.6	Montreal Cot.	40	75	72	72	72
126½	116	7	5.6	Do. pref.	40	126½	126	126	126
27½	18	1.50	7.8	Mont. L. & Pr.	6688	19	19½	19	19
35	23	°1.82	..	Montreal Tele.	35	35	35	35	35
33½	22	.	...	Montreal Trams	5	23	22¾	22¾	22¾
49½	44	2.22+.66½	6	Moore Corp. c	565	49½	49½	47½	47¾
1.75	.25	.	...	Muirheads	100	1.65	1.60	1.60	1.60
8½	5½	.	...	Do. pref.	50	5½	8½	8½	8½
40½	26	2	5.9	Nat. Breweries.	1210	34¾	34¾	33½	33½
41½	36½	1.75	4.2	Do. pref.	115	40½	41½	41½	41½
9½	6	.40	...	Nat. Grocers, c.	635	9	9½	9	9
22	12	.	...	N. Sew. Pipe A	228	21	21	20	20
15½	13	1	...	Nat. Steel Car	1105	14½	14½	13	13½
18	15	1	6.1	Niag. W. Weav.	60	17	16½	16½	16½
7	3¾	.	...	Noorduyn Av.	60	4	4½	4	4½
2.00	.90	.	...	North Star Oil c	440	1.55	1.40	1.35	1.35
5	3¾	.35	7	Do. pref.	765	5	5	5	5
15	10	.	...	Nor. Trusts	40	12½	12½	12½	12½
109	104½	6	5.5	N. S. L. & Pr. p	15	109	108½	108½	108½
25½	22	1	4.2	Ogilvie Flour, c	1746	23½	24½	23½	23½
111	104½	5	4.8	Ontario Loan	1	105	105	105	105
4½	½	.	...	Orange Crush	40	2½	4½	3½	4½
6	1½	.	...	Do. pref.	250	4¾	6	6	6
8½	6½	.60	7.7	Ott L H & Pr c	105	8	8	7½	7½
103	88½	5	4.9	Page Hersey	120	102	102½	102	102
5¾	4¾	.25	...	People's Cr. Sec	100	4¾	5	5	5
11	6	.30	...	Power Corp. c.	1265	7	7½	7	7
97	85	6	6.4	Do. pref.	25	95½	94	94	94
9	5	.50	...	Pressed Metals.	180	7	7	6½	6¾
19¾	9¾	.	...	Price Bros. c.	2290	18½	18½	15½	15½
83	60	5.50	6.7	Do. pref.	90	82	83	82¾	82¾
8	5½	.40	5.5	Prov. Transport	900	7¾	7½	7½	7½
16	11½	1	8.7	Quebec Power.	186	12½	13	11½	13
10	6	.75	...	Regent Knit, c.	75	8½	8½	8½	8½
25	4	.	...	Reliance Gr. c.	100	16	12	12	12
25	22	2	8.4	River S. Mill	80	23½	23¾	23¾	23¾
150½	132	6	4.3	Royal Bank	40	139	140	138½	140
22	15½	.80	4	Russell Indust c	50	19	20	20	20
108	105	5.50	5.2	Saguenay Pr. p	35	106	106	105	105
19½	13¾	.90	6.2	Shawinigan Pr.	3585	14¾	14¾	14	14¾
10½	9½	.40	3.9	Silverwoods	56	9	10½	10½	10½
9	8	.40	4.6	Do. pref.	5	8¾	8¾	8¾	8¾
11½	7½	.60+.15	7	Simon & Sons c	35	11	10¾	10½	10¾
20	10	.	...	Simpson, A.	25	20	19	19	19
13½	3	.	...	Do. (B)	165	12	12	12	12
104	86½	6.50+2▲	6	Do. pref.	120	103½	103½	103	103½
12½	10	.80	7.3	So. Can. Pr.	165	11	11	10½	10½
106	102	6	5.8	Do. pref.	255	105	105	104	104
4	1	.	...	St. Law. Corp.	1830	2¾	3	2½	2½
18½	11¾	1	6.9	Do. (A)	910	14¾	14½	14	14
130½	119	7	5.4	St. Law. Fl. pf.	10	125	130½	130½	130½
47	32½	3	6.8	St. Law. Pap. p	975	43½	44	43	43
3	1	.	...	St Pav & Mat c	275	2½	2½	2½	2½
10	7	.93¾	...	Do. pref.	230	9½	9¾	9	9
5½	4½	.40	8	Stand. Radio	50	5½	5	5	5
73	59¾	3	4.5	Steel of Canada	415	67½	67½	64	64
76¼	66	3	4	Do. pref.	80	74½	74½	73½	74
85	65	5	5.9	Supersilk pref.	10	85	84	84	84
14	10½	.80	5.8	Tamblyn, c	95	13¾	13¾	13½	13½
10	2½	.	...	Thrift Stores c.	100	10	10	10	10
55	50½	2.62½	4.8	Tor. Elev. pref	10	53½	54	54	54
90	70	5	5.7	Tor. Mtge.	2	88	88	88	88
90	66½	6	6.7	Traders Fin pf	60	88	90	90	90
10½	5	.	...	Twin City, pref.	100	6¾	6½	6	6
9	6	.	...	Union Gas	926	7	6¾	6½	6½
26	22	1.50	6.7	United Corp. A	20	22½	22½	22½	22½
16	8½	.30	...	Do. (B)	40	12½	12	12	12
37	32½	3	9	United Fuel, pf.	135	33½	34	33	33
5	3½	.	...	Do. (B) pref.	60	5	5	4½	5
16	12½	1	6.7	United Grain A	45	15	15	15	15
6	4½	.10+.05†	.	United Steel	980	4¾	4¾	4½	4½
58	47	4	7.3	Wabasso Cot.	250	55	55	55	55
64	47	4	6.9	Walker-Good.	1530	61	61½	57	57
21¾	18¾	1	4.8	Do. pref.	610	21	21½	20¾	21½
8	3	●	...	West. C. Flour.	130	5½	5½	5	5
91	40	.	...	Do. pref.	247	80	80	75	75
14	7½	▲.50	..	Western Steel	250	14	13¾	13½	13½
17	12	.80	5.2	Weston, George	250	15¾	15¾	15	15
106	94	5	4.7	Do. pref.	10	105	106	106	106
8½	2½	.	...	Winnipeg El.	2873	6	6½	5	5½
63½	20	.	...	Do. pref.	604	54	55	50	50
97	65	.	...	Woods Mfg. pf.	10	97	95	95	95
18	13	.80+.20	6	Zellers, c	320	17½	17½	17½	17½
27	24	1.50	5.5	Do. pref.	35	26	27	27	27

■ Participating. ▲ Paid in 1942.
* Interim dividends paid in 1943.
▲ On arrears. † Initial.
° Net after corporate income tax.

Range 1943 High	Low	Div. Rate $	Yield %	Company	Sales	Last Nov. 1	Week Ending Nov. 8 High	Low	Close
1.40	.40	†.02	....	L. Dufault	10,900	.90½	.91	.88	.88
16.63	10.25	.80	5.3	Lake Shore	2,680	15.37	16.00	14.00	14.50
6.10	3.50	.45	*7.7	Lamaque G.	1,300	5.80	5.95	5.80	5.85
.09½	.03½	.....	....	Lapa Cad.	1,000	.05½	.06	.06	.06
.04½	.01	.....	....	Lebel Oro.	1,000	.02½	.02½	.02½	.02½
1.27	.60½	.09	*7.5	Leitch Gold	12,750	1.20	1.20	1.15	1.15
1.07	.67	.....	....	Little L.L.	88,653	.93	1.07	.93	.98
4.00	2.26	†.18	....	Macassa	5,355	3.65	3.65	3.55	3.60
2.40	1.51	*.10	....	MacLeod C.	25,025	2.20	2.37	2.21	2.27
1.59	.70	†.03	....	Mad. R.L.	50,625	1.58	1.59	1.45	1.46
3.75	1.65	.....	....	Malartic G.	24,815	3.25	3.40	3.20	3.25
.03½	.00½	.....	....	Man. & East.	1,000	.01½	.01½	.01½	.01½
.06	.02½	.....	....	Maralgo	1,000	.05	.04½	.04½	.04½
58.00	46.75	3.33	6	McIntyre	230	55.50	56.00	55.50	56.00
1.54	.83	†.08½	....	McK. R.L.	12,105	1.54	1.52	1.45	1.47
.05	.01½	.....	....	McLellan G.	22,500	.03½	.03¾	.03	.03¾
.07½	.05	.....	....	McV. Grah.	3,500	.07½	.07½	.07½	.07½
.25	.10	.....	....	McWatters.	20,750	.20	.25	.20	.22
2.29	1.22	.....	....	Min. Corp.	12,050	2.23	2.20	1.92	1.92
.46½	.28	.08	....	Moneta	82,320	.38	.46½	.38½	.40
.67	.35	†.02½	....	Negus Mines	1,500	.56	.60	.58	.60
1.95	1.05	*.10	....	Nipissing	4,453	1.70	1.75	1.67	1.70
52.50	40.00	4.00	8.2	Noranda	5,192	50.38	50.75	47.50	47.25
1.10	.16	.....	....	Nor. Can.	38,754	.72	1.02	.70	.90
.04¾	.02½	.....	....	Norgold	5,000	.04	.04	.03½	.03¾
1.16	.72	.....	....	Normetals	66,460	1.06	1.07	.90	.90
2.00	1.00	.20	....	North. Emp.	400	1.50	1.75	1.75	1.75
1.26	.60	.03	....	O'Brien	77,475	1.20	1.26	1.11	1.19
.64	.08	.....	....	Omega	19,453	.45	.46½	.42	.42
.25	.07½	.....	....	Osisko	1,500	.15	.17	.16	.16
1.38	.57	.05	....	Pamour P.	23,268	1.31	1.36	1.30	1.30
.06½	.02	.....	....	Pandora	3,133	.05	.06½	.05	.06½
3.25	2.15	.30	....	Pato Cons. G.	500	3.15	3.15	3.15	3.15
.39	.17	.01	....	Paymaster	10,990	.33	.34	.31	.31
1.90	1.05	†.06	....	Pend Oreille	4,260	1.45	1.47	1.30	1.35
1.10	.73	†.08	....	Perron Gold	16,950	1.06	1.09	.90	.95
2.10	1.28	.10	....	Pickle Crow	8,005	1.84	1.90	1.80	1.85
2.85	1.25	.....	....	Pioneer G.	600	2.25	2.30	2.30	2.30
1.50	.52	.04	....	Powell R.	19,300	1.45	1.50	1.38	1.43
1.42	.56	.....	....	Do. vot. ts.	3,288	1.40	1.38	1.32	1.32
.04½	.01½	.....	....	Prem. Bord.	31,000	.03½	.04½	.04	.04
1.15	.58	.06	....	Premier G.	2,650	1.10	1.10	1.03	1.03
2.50	1.72	.20	9	Preston E.	11,880	2.23	2.24	2.16	2.18
.42	.26	.07	....	Privateer	700	.32	.31	.31	.31
.27	.20	†.02	....	Quebec Gold	500	.25	.27	.27	.27
.59	.30	.....	....	Queenston G.	5,573	.55	.57	.55	.55
.12	.05	.....	....	Quemont	180	.09	.05	.05	.05
.09½	.02	.07	....	Reno Gold	3,500	.04½	.03½	.03½	.03½
.09	.03½	.....	....	Roche L.L.	1,500	.06½	.07	.06	.06
4.00	1.86	.20	*5.6	San Antonio	3,280	3.60	3.65	3.50	3.60
.09½	.02	.....	....	Sand River	9,000	.05	.04½	.04½	.04½
.62½	.18	†.03	....	Senator R.	39,600	.55	.57	.50	.50
*1.05	.84	†.15	....	Sheep Creek	8,300	1.00	.95	.90	.93
1.04	.66½	.06	....	Sherritt G.	25,367	.88½	.89	.80	.84
9.75	5.10	.60	6.3	Sigma Mines	800	9.75	9.75	9.50	9.50
.95	.50	†.13	....	Silbak Prem.	897	.73	.70	.70	.70
.65	.35	.06	10	Siscoe	26,600	.62	.63	.50	.59
.60½	.29	.....	....	Sladen Mal.	27,900	.56	.60	.54	.56
.06	.02	.....	....	St. Anthony	16,000	.03	.04	.04	.04
2.65	1.51	.....	....	Steep Rock	42,050	2.54	2.54	2.20	2.25
.21	.10	.....	....	Sturgeon R.	1,500	.16	.20	.20	.20
2.40	1.45	.....	....	Sud. Basin	200	2.35	2.25	2.25	2.25
1.80	.60	.08	4.8	Sullivan C.	74,740	1.74	1.80	1.59	1.65
.06½	.04	.....	....	Surf Inlet	2,000	.06½	.06	.06	.06
2.25	1.38	.12	5.7	Sylvanite	2,315	2.05	2.10	2.00	2.10
3.45	1.85	.30	9.8	T. Hughes	3,295	3.05	3.15	3.05	3.10
.12	.05	.....	....	Temiskaming	9,500	.09	.09½	.09	.09
.94	.60	.04	....	Toburn Gold	1,550	.85	.86	.78	.78
.18	.09	.....	....	Towagmac	3,000	.15	.15½	.15	.15
.74	.35	.....	....	Trans. Res.	16,500	.63	.62	.55	.55
1.85	.95	.10	5.9	Upper Can.	10,800	1.70	1.70	1.65	1.70
7.25	4.35	†.10	....	Ventures	2,176	7.00	7.00	6.40	6.40
5.80	3.40	.70	....	Waite Am.	13,374	5.00	5.20	4.90	5.00
.02½	.00½	.....	....	Wellington	21,000	.01½	.01½	.00½	.01
.24	.19	.....	....	Wendigo	1,250	.21	.22	.21	.21
.05	.02	.....	....	Whitewater	2,500	.03½	.03½	.03½	.03½
4.20	2.50	.35	....	Wright-Har.	6,655	3.35	3.35	3.10	3.15
.10½	.08	.01	6-10	Ymir Girl	5,900	.09½	.10	.10	.10

Mining Stocks

Week Ending November 8.

Range 1943 High	Low	Div. Rate $	Yield %	Company	Sales	Last Nov. 1	Week Ending Nov. 8 High	Low	Close
.21	.05	.....	....	Aldermac	17,900	.16	.17	.14½	.17
7.10	3.00	.20	....	Anglo-Hur.	1,166	7.00	7.00	6.50	6.50
.68	.20	.....	....	Aquarius	26,200	.51	.64	.48½	.64
.33	.18	.....	....	Arjon Gold	27,850	.24	.24½	.22	.24
.60	.35	.....	....	Armistice	8,100	.47	.47	.44	.44

Government Bonds

Nov. 9, 1943

(Supplied by Investment Dealers Assoc. of Canada)

%	Due	Bid	Ask
2	June 1944	100¾	101¼
1½	Sept. 1944	100	100¾
4½	Oct. 1944	102¼	103¾
2½	Nov. 1944	101	102
2	Mar. 1945	100½	101½
2	Dec. 1946	100	100¾
4½	Feb. 1946	105¾	106¾
2½	Mar. 1948	100	101
1¾	May 1948	99¾	100½
■2½	Jan. 1948	103½	104½
3½	June 1949	102¾	103¾
3½	Oct. 1949	101¾	102¾
■3	June 1951	102½	103½
3½	Nov. 1951	103½	104½
3½	Feb. 1952	104	105
3	Oct. 1952	101½	102½
4	Oct. 1952	106	107
■3	Jan. 1953	104½	105¾
3	June 1955	100	101
■3	Nov. 1956	100	101
4½	Nov. 1956	106½	107½
4½	Nov. 1957	107½	108½
■3	Mar. 1954	101½	102½
■3	Jan. 1958	103	104
3	June 1958	99¾	100¾
4½	Nov. 1958	108½	109½
4½	Nov. 1959	109½	110½
a4	Oct. 1960	109	110
a3½	Jan. 1961	105	106½
3½	June 1966	102	103
a3e	Jan. 1967	102¾	103¾
a3e	Nov. 1968	102¾	103¾
†3	Perpetual	94½	95½
Dominion Guarant'd Bonds			
Can. Natl. Railways:			
2½	Jan. 1946	100¾	101¾
3	May 1944	100½	101½
3	Dec. 1950	101	102
3	Jan. 1959	99	100½
*4½	Sept. 1951	123½	125
4½	Feb. 1956	127½	128¾
*4½	July 1957	128½	130
3	Feb. 1953	100½	101½
4¾	June 1955	129	130½
5	Feb. 1954	116¾	118½
*5e	July 1969	117½	119
*5e	Oct. 1969	128	130
*5e	Feb. 1970	128	130
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	130	132
Grand Trunk Pacific Rly.:			
3	Jan. 1962	110	111½
Provincial Gov't Bonds			
New Brunswick:			
4	Nov. 1947	112½	115
3	Oct. 1951	98	100
3½	Aug. 1949	99	101
3½	June 1956	99½	101½
4½	Apr. 1961	120	123
c5	Jan. 1960	126	129
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100½	102½
3½	Nov. 1950	103	105
c4½	Sept. 1952	117½	119½
c4½	Nov. 1960	125½	128
c5	Mar. 1960	131	133
Ontario:			
2½	May 1945	100	101½
3	Apr. 1948	100¾	102½
3	Nov. 1950	99¾	101½
3½	Nov. 1951	101	102½
3½	May 1955	100¾	102½
4	June 1962	121½	125
4½	June 1950	108½	110
*4½	Jan. 1962	128½	131
5	Oct. 1948	109	110½
*5	Dec. 1960	135	137
*5½	July 1946	107½	108¾
Ont. Hydro Commission:			
3	Aug. 1948	100¾	102½
3½	Feb. 1953	100¾	102½
3½	Apr. 1947	103½	104¾
Prince Edward Island:			
4	Mar. 1954	101	103½
Quebec:			
3	Nov. 1947	100½	102½
3½	Mar. 1948	100¾	[illegible]
3½	Mar. 1959	101½	[illegible]
4	Nov. 1952	103½	[illegible]
3¾	Feb. 1955	102½	[illegible]
4½	Aug. 1958	107	[illegible]
4½	Jan. 1963	111½	[illegible]
Alberta:			
4½	Oct. 1956	84½	[illegible]
4	Dec. 1954	81½	[illegible]
*5	Oct. 1959	85½	[illegible]
c5½	Apr. 1952	86½	[illegible]
6	Mar. 1947	83½	[illegible]
British Columbia:			
4	Dec. 1957	116½	[illegible]
*4½	Jan. 1951	119	[illegible]
c4½	Oct. 1953	120½	[illegible]
c5	Apr. 1954	124	[illegible]
5½	Feb. 1945	102	[illegible]
6	Feb. 1947	107½	[illegible]
Manitoba:			
c4	Dec. 1957	110	[illegible]
c4½	Dec. 1956	114½	[illegible]
*5	Dec. 1959	120½	[illegible]
5½	Oct. 1947	112	[illegible]
6	Apr. 1947	106	[illegible]
Saskatchewan:			
4	Sept. 1954	89	[illegible]
4	Nov. 1960	87	[illegible]
c4½	Oct. 1961	101½	[illegible]
c4½	Mar. 1960	97½	[illegible]
5	Aug. 1958	98	[illegible]
5½	Oct. 1952	99½	[illegible]
6	Mar. 1952	100½	[illegible]

*-Payable Can., N.Y. & c-Payable Can. & N.Y. Payable N.Y. †Callable on or after Sept. 15, 1966. Callable at a premium. ■Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks

Nov. 9, 1943

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Industrial:	Bid	Ask.
Andian National	24½	27
Anglo C. Tel., A	8½	9½
Atlas Steels, c.	26	27½
Do., pref.	105	108
B. C. Pulp, c.	10½	12
Do., pfd.	70	75
Barrymore Cl., p.	45	..
B. C. Sugar	76	78½
B. C. Tel., p.	114	..
Brown, com.	1½	1¾
Do., 6% pfd.	28½	32
Burns & Co., A	9	10
Do., B	5	6
Canada Tea, p.	40	..
Can. Indust., A	153	..
Can. Mach., c.	8	9½
Can. Ing. Rand	61	..
Can. Mot. L.A.B.	8½	9½
Cap. W. Cloth	5	..
Do., pref.	18½	21
Col. Realty	3	..
Chase, A. W., p.	16	..
Colonial Steam.	63	67
Copeland F. un.	16	..
Corr. Box, c.	3	..
Dover Ind.	7¾	..
Dunlop T., p. $25	24	26
Fed. Grain	..	3¾
Do., pref.	71	73
Galt Brass, c.	10	..
Goderich Elev.	11	..
Guard. Realty, p.	16	19
Gurney Fdy., p.	2	2¾
Hart Battery	5	..
Hayes Steel, c.	14	15½
High. Dairy pf.	48	..
Ingram & Bell, p.	91	..
Kingst. ship., c.	12	..
Loblaw Inc., c.	12	13
Minn. & Ont., c.	7½	8½
Mt. Royal Htl., c.	2¾	..

	Bid	Ask.
M'row Screw, p.	100	..
Do., com.	14	..
Moirs, pfd.	41	..
Morrison Br., un.	..	16
Neilson, Wm. C.	10	..
Do., p.	100	..
N. Meth. Ldy., p.	76	..
Quinte Milk	2½	..
Prov. Paper, p.	98	101
River. Silk, B	2	..
Stand. Fuel, p.	64	..
Stedman, pf. $50.	56	58
Sutton Horsley	..	1½
Tor. Carpet, c.	70	..
Do., pref.	72	..
Un. Steel, A, pf.	23½	24¾
Viceroy Mfg., c.	17	..
Do., pref.	24	..
West. Grain, pfd.	35	..
Trust & Loan Stocks:		
British Mtge.	117	..
Brockville Tr.	46	..
Capital Trust	..	31
Comm. Fin., c.	7½	8½
Eastern Tr.	150	..
Grey B. Tr. $50	45	..
Guelph & O. $50	49½	..
Indust. Mtge.	25	..
Lambton Loan	35½	..
Lond. & W. Trust	37	..
Midland Loan	14½	..
Montreal Tr.	65	75
N. S. Trust	143	..
Premier Trust	37½	..
Royal Trust	65	75
Sherbrooke Tr.	120	..
Sterling Trust	54	..
Trusts & Guar.	36½	..
Victoria Trust	74	..
Waterloo Trust	100	..
Insurance Stocks:		
Brit. Amer.	50	..

	Bid	Ask.
Canadian Fire	71	..
Canada Life	345	[illegible]
Confed. 30% pd.	129	..
Continental L.	..	[illegible]
Crown Life	238	[illegible]
Dominion Fire	135	..
D. of Can. Gen.	130	..
Dom. Life	175	..
Empire, 25% pd.	6½	[illegible]
Excelsior 40% pd.	76	[illegible]
Great-West Life	248	[illegible]
Halifax Fire	14½	[illegible]
Imperial Life	247	[illegible]
Manufac. Life	238	[illegible]
Monarch 20% pd	33	..
Maritime Life	20	..
National Life	10	..
Sov. L. 25% pd.	16	..
Sun Life	315	[illegible]
Tor. General	4	[illegible]
Western Assce.	44	[illegible]
Do., pref.	40	..
Western Life	12	..
Investment Trust Shares:		
Deb. & Sec., pf.	75	..
Inv. Found. un.	42	..
Sec's. Hold., pf.	21½	..
Th. Can. Iv. Tr.	2½	[illegible]
Theatre Stocks:		
Allen's St. Cath. units	62	..
Do., Kingston	63	..
Do., Toronto, p.	34	..
Para. Kitch., p.	48	..
Do., Oshawa, c.	10	..
Do., Oshawa, p.	85	..
Power Issues:		
Can. W. Nat. Gas	27	..
Do., pfd.	104	..
Gt. Lakes Pr., p.	101	[illegible]
N. B. Tele.	11½	[illegible]

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Nov. 8 Bid	Ask
Abitibi, pref. 7%	...	53	..	55
Acme Glove	...	4½	4½	..
Do., pref.	6.50	70	70	..
Agnew Surp.	.80+.20	13	11	..
Do., pref.	7	111	113	..
Amal. Electric	.60	8	8	9¾
Amer. Cyn. (B)	1.60	37	33	..
Ang. Can. Tel., p.	2.75	48	45½	..
Assoc. T.&T.A.	...	1	..	..
Do., pref.	...	36	..	..
Ault & Wiborg	5.50	103	103¾	..
Bk. Can. Nat.	6	133	133	..
Barber Ellis	.37½*	8½	6	..
Beatty Bros. (B)	...	13	14	15
Do., 2nd pf.	7	113	113	..
Beaver Lumber	...	5½	6	..
Do., pref.	...	110	105	..
Belding Cort., c.	4+2	87½	88	..
Bertram & Sons	.30+.10	9	..	9½
Blue Top Br. (A)	.60	14½	14½	..
Do. (B)	...	16	14¾	17½
Brand, Hender.	...	4½	3	5
Brant, Cord., pf.	1.30	25	25	26
Bright, T. G.	...	6½	..	6½
Do., pref.	6	92	90	..
Caldwell Lin. 1st pf.	1.50	24½	25	..
Calgary Power, pf.	6	103½	104	..
Canada Bread, pf.	6	110	110	..
Can. Cr. Stone	.40	5	5	..
Canada Cycle, p.	5	105½	106	..
Can. Iron, pref.	6	90	..	..
Canada Life	20	360	..	..
Can. Starch	.50	11	9½	..
Do., pref.	7	110	110	..
Can. W. Cable (A)	4	66	65	67
Can. Bronze, pf.	5	107	106	..
Can. Canners, 1st p.	1+.20■	27	22¾	23
Can. Celanese rgts.	1	22	22½	..
Can. Cottons, c.	4+2	103½	104	106
Can. Fairb., pf.	6	110	105	..
Canadian Fire	4	71	70	..
Can. For. Inv., pf.	8	105	105	..
Can. Gen. Secs. (A)	...	6½	5¾	..
Do. (B)	...	6½	5¾	..
Can. Int. I. Tr. pf.	2	55	53	..
Can. Lt. & Pr.	1	19	15	..
Can. Oil	1+.20	20	18¾	23
Do., pref.	8	135	135	138
C. Tube & Stl.	...	6	..	..
Do., pref.	1.75*	105	..	..
Do., 2nd pref.	...	7	..	..
Can. Wallpaper (A)	1	12	13½	..
Do. (B)	1	13	13½	..
Capital Estates	...	2.75	2.30	3.00
Carnation, pfd.	4	117	117	..
Catelli Food	...	12	11½	..
Do., pref.	.75	13	13	..
Celtic Knit	...	1.60	1.50	..
Cent. Can. L'n.	8	130	140	..
Chart Trust	4	76	79	85
City Gas & El.	...	.25	..	.25
Coll. Terminal	.25	5¾	..	5¾
Do., pref.	.25	5¾	..	5¾
Conduits Nat.	.40*	4½	4½	4½
Cons. Fire Co.	...	..	3¾	..
Cons. Press	.40	6	5½	8
Cons. Sand., pf.	4	78	75	78
Corr. P. Box, p.	7+7▲	90	78½	89
Cres. Cream, pfd.	4	45½	45½	48
Crown Cork	2	33½	30	32
Crown Dom. Oil	...	1.25	1.25	..
Crow's N. Coal	3	37½	32½	36½
Dairy Corp.	...	4½	4½	5
Do., pref.	2.50*	40	41	43
David & Fre. (A)	1+.15	16	16	..
Do. (B)	...	.95	1.00	2.00
de Havilland, pf.	...	85	..	70
Disher Steel, c.	...	1.50	1.10	1.50
Distill-Seagram, pf.	5	112	106	109½
Dom. Ang. Inv.	4	33	33	..
Do., pref.	5	80	82	..
Dom. Engineer	2	30	..	30
Dom. Envelope, pf.	5.25	52	52	..
Dom. Fabrics	.80	9½	9¾	10½
Do., pref.	3	50½	50	..
Dom. Scot. Inv., c.	...	1.00	1.00	1.75
Dom. Square	...	3½	2¾	..
East Koot Pr.	...	.50	..	..
Do., pref.	...	5	9	18
East Dairies, c.	...	.55	.50	1.05
East Theatres	▲.50	6½	7	..
Economic Inv.	1.90	30	29	34
English Electric (B)	...	4	..	4¾
Equitable Life	.15	10	8	9¾
Fam. Players	1.50	25	..	25
Federal Fire	2.50+.50	..	51½	..
Federal Grain	...	3.90	..	..
Do., pref.	4▲	82	..	..
Fleury Bissell	...	1.00	1.00	..
Do., pref.	...	20	19	24
Ford Motor (B)	1*	24½	23	..
For. Pr. Secs.	...	.60	..	.60
Freiman	...	1.50	1.50	..
Do., pref.	6	75½	75	..
Gat. Pwr. 5½% pf.	5.50	95	90	98
Goodyear Tire, pf.	2.50	56	55	56
Gt. West Life	15	250	251	..
Gt. W. Saddlery	...	6½	6½	..
Do., pref.	3	34½	34¾	36
Greening Wire	.60	12½	..	12½
Gurd, Chas., pf.	...	75	75	..
Ham. U. Theat.	...	2	2½	3
Do., pref.	5	101	98	..
Hillcrest Coll.	...	.55	..	..
Holt Renfrew	...	6	6	..
Do., pref.	3.50	90	90	91
Home Invest. ($40)	...	16	15	..
Do., part. certs.	...	10	..	..
Huron & E. Mt.	4	69	70	75
Do., 20% pd.	.80	12½	12	13
Hydro Electric	...	4	3½	5
Imperial Life	15	..	..	274
Imp. Varnish, pf.	1.50	29	28	30
Indust. Accept., pf.	5	87¾	87½	95
Inter-City Bak.	3+1	40	40	45
Inter'c Coal	3	40	..	..
Do., pref.	8	125	..	..
Inter Bronze, c.	.80	13½	12	..
Int. Coal & Coke	.03	.34	.34	.35
Int. Metal Ind. p. A	6	98	95½	100
Int. Nickel, pf.	7	160	..	150¾
Int. Paints	...	3	..	3
Do., pref.	1+.50▲	18	18	19
Int. Pap. & P., c.	...	14¾	..	13¾
Kelvinator	...	13½	14	15½
Lake of Woods, pf.	7	130	130	..
Landed Bank	4	58	56	..
Langley's	...	..	..	4
Do., pref.	3	27½	21	25
Levy Bros.	.10*	3	2¾	..
Lindsay, C. W., pf.	2	55	60	..
Mackenzie Air	...	1.00	..	..
M. L. Gardens, c.	...	6½	8½	9½
Maritime Tele.	.70	15½	15	..
Do., pref.	.70	17½	17	..
Marcus Loew's	...	25	32	..
Do., pref.	7	103	100	..
Melchers, c.	...	1¾	1½	2
Mercury Mills	...	7	..	8
Mitchell, J. S.	2.50	44	45	..
Mod. Contain.	1.20	15½	15	16
Do., pref.	5.50	100	98	..
Monarch Knit, c.	...	3	3½	6
Mont. Is. Pr.	...	.25	.25	1.00
Mont. L.&Pr. Notes	3%	50½	..	50
Montreal Loan	1.25	18	17	..
Mtl. Refrig. & S.	...	1.25	1.00	1.50
Do., pref.	1.25	25½	22	25½
Moore Corp. p. (A)	7	190	185	198
Do., pref. (B)	7	276	..	..
Murphy Paint	.80	12	12½	..
Do., pref.	5.50	..	100½	..
Nat. Grocers, pf.	1.50	29	28	28½
National Tr.	8	167	160	167
Nor. Can. Mtge., un.	...	6½	6½	9
N.S.L. & Pr., c.	6	80½	77	80½
Ogilvie Flour, pf.	7	160	160	..
Ont. Silknit	...	1½	..	4
Do., pref.	3	45	41¾	50
Do., Scripts	1	13½	12	..
Ont. Steel	1	14½	14	15
Do., pref.	7	120	119	..
Ott. Car Air	...	6	..	6
Ottawa El. Rly.	2+.20	23½	23	23½
Ott. L. H. & Pr. pf.	5	86	86	..
Pacific Coyle	.03	.33	.34	..
Pantepec Oil	...	10	7½	9¾
Paton Mfg.	4	55	52	..
Do, pref.	7	120	112	..
Penmans	3	52½	51	55
Do., pref.	6	126½	126	..
Photo Eng.	.75	12½	12½	13¾
Porto Rico Pr., p.	7	104	104	..
Power Corp. 2nd p.	3	43	..	43
Que. Telephone	.30*	4½	4½	..
Real Estate L'n	2	28	30	33
Regent Knit, pf.	1.60	20	19	21
Reliance Gr., p.	6½+1.62½▲	90	90	93
Rolland Pap.	.60	10½	..	..
Do., pref.	6	97½	97	..
Russell Indust., pf.	7	200	190	199
Sangamo	.45	15	..	25
Sarnia Br. (A)	...	16½	13½	16½
Do. (B)	...	2½	..	2½
Scythes & Co.	1+.50	14½	14¾	19¾
Do., pref.	1.75	25	25	..
Sher. Wms.	.60	16½	15	16½
Do., pref.	7	125	125	..
Simon & Sons, pf.	7	105	107	..
St. Law. Flour, c.	1.40+.50	31½	31	..
Stand. Chem.	1.25*	18¾	18¾	19½
Stand Clay	...	4½	4	6
Stedman Bros.	.60+.60	22	22	..
Sterling Coal	...	3	3½	5
Stop & Shop	...	.25	.30	1.00
Stuart, D. A., pf.	.80+.25	12½	12¾	13½
Supersilk H. A.	...	3½	3	3½
Do. (B)	...	3	3½	..
Sup. Pete. Ord.	1	27	27	..
Do., com.	1	27	27	35
Tamblyn, pf.	2.50	53	52¾	..
Thayers	...	1.25	1.25	..
Do., pref.	2	25	..	27
Thrift Stores, pf.	...	23	22¾	23
Tip Top Tailors	.30	8	7½	..
Do., pref.	7	109½	109	..
Tooke Bros.	...	1½	1½	..
Do., pref.	...	28	22	..
Tor. Elevators, c.	1	30	29	30
Toronto Gen. Tr.	4	85	84	..
Traders Bldg.	▲4	46½	46	60
Traders Fin. (A)	...	12	9¾	..
Do. (B)	...	8	9¾	..
Do. (A) rights	1	9½	15	19
Do. (B) rights	1	9½	13	..
Tuckett Tob., p.	7	152	150	..
Twin City, pf.	5.25*	80	76½	..
Un. Amuse (A)	.80	16	16	..
Do (B)	.80	16	16	..
United Distill.	.10*	2.25	1.50	2.50
United Secs.	...	8½	4½	7½
Viau Bisc.	...	5½	..	6½
Do., pref.	5	75	75	..
Walkerville Br.	.05	1.80	1.75	2.00
Wellington Fire	2.50+1	..	58½	..
W. Koot Pr., p.	7	150	140	..
West. Breweries	.15	5.15	5.15	..
West Grain	...	1	..	..
Do., pref.	...	25	..	..
West Grocers	3+2	85	..	85
Do., pref.	7	125	120	125
Wilsils	1	17½	17½	17½
Wood. A&J. p.	7	92	95	..
York Knitting	.40	7½	7½	7½
Do., 1st, pf.	7	..	100	..

*Interim dividends paid in 1943.
▲Paid in 1942. ▲On arrears.
■ Participating.
‡Plus .75 payable in 5% pfd.; 1 pref. for each 13 1/3 sh. A or B held.

Zinc Smelter for Quebec?

Postwar Issue as Many Mines Turn Out Concentrates

Zinc mining in eastern Canada is now in its most prosperous period under the stimulus of bonus metal prices paid by U. S. authorities. To retain this prosperity after the war, a local zinc smelter might present distinct advantages, a survey of the situation indicates.

Such a smelter was mooted several years ago — it was thought that the Quebec Government would back bonds for it at one time — but the smelter never did materialize. How the barriers in the way of such a smelter are being gradually dissipated by the growth of a great eastern Canada zinc industry is told in an accompanying story.

By GORDON M. GRANT

When the war is over, a postwar project of import may be a zinc refinery for Quebec.

Mooted several years ago when the Quebec Government and private interests both looked into the project, a zinc smelter didn't become an actuality at that time for a number of reasons.

Perhaps the biggest was the fact that zinc ore reserves weren't felt to be large enough. Contributing factors were the few mines actually turning out zinc then and the metallurgical difficulties involved in treating a number of concentrates of differing character at one central plant, particularly when the character of the concentrates was not known in advance.

But the advent of the war has changed things radically and the old reasons for not proceeding are not so valid today. In fact, the war has brought about a set of conditions where a zinc smelter may be economically feasible, when war restrictions are a thing of the past and manpower and materials again become available.

How Situation Changed

The most important development is that several mining properties which in pre-war days were considered possibilities for turning out zinc concentrates for a custom smelter have been placed in production.

Golden Manitou, one of these, is vying with Waite Amulet Mines, as Quebec's largest zinc producers. Another, New Calumet Mines, placed in production only recently, is expected to turn out an impressive volume of concentrates.

Old-established producers are contributing to a greater zinc output volume. Waite Amulet Mines has added 600 tons to capacity to supply further zinc at the request of the Metals Controller. Normetal has stepped up capacity from 500 to 800 tons daily. Siscoe has placed the Tetreault lead-zinc mine in operation again.

Capacity Doubled

Combined mill capacity of these Quebec mines turning out zinc concentrates is over 4,000 tons daily—twice the pre-war figure—and zinc concentrates turned out probably contain 50-75% more zinc than was turned out by Hudson Bay Mining & Smelting Co. for treatment in its mid-western zinc smelter before the war. Character of concentrates that can be turned out is no longer a subject for conjecture but is a matter of accurate knowledge.

While zinc-concentrate producing facilities have enjoyed major expansion to meet the great U. S. need for zinc, the war has brought no wartime demand for a zinc smelter as the United States has been willing to buy concentrates at fancy prices, paying up to 8 cents a pound for zinc in this form. High prices have covered the high freight cost of shipping zinc concentrates to the United States and 10% exchange on smelter charges.

Price a Big Factor

But after the war zinc may sell at around three cents a pound again and a zinc smelter may be desirable if companies are to continue turning out the metal at a fair level of profit. Many authorities lean to the belief that 3 cents a pound is abnormally low for zinc and that a postwar price of say 5 cents a pound may be in keeping with the economics of the situation.

But even at 5 cents a pound, a zinc smelter would undoubtedly present many advantages. Quebec, with an abundance of power likely to be available through reduction in aluminum production, may be a "natural" for an electrolytic-type of zinc recovery plant.

Plants Are Expensive

Zinc smelters are expensive—they cost millions—and something more in the way of a zinc ore "backlog" might be needed to justify a plant. It has been suggested that 10-15 years' ore is the desirable background on which to amortize the major expenditure of a zinc plant. None of the mines mentioned above as sources of supply have 15 years' ore on hand now. Some of them probably have been eating into ore reserve positions to meet current production schedules due to the labor shortage.

After the war, however, most of these companies, if not all, appear likely to have good treasury positions and quite likely would be willing to press development to expand known ore reserves. Outlining of large tonnages of further zinc ore with the diamond drill might be sufficient to satisfy backers that ore would be available for extended operations. Stimulation of prospecting for further zinc deposits in the Quebec area might be a subsidiary project to assist in assuring continuity of zinc concentrate supplies

In Relatively Good Position

From the long-term standpoint, there is much to be said for establishment of a postwar zinc smelter in eastern Canada, mining people say. Zinc, as a metal, may not meet the same postwar competition as some of our other metals. A relatively small proportion of zinc is recoverable as secondary metal. The United States, one of the large world producers of zinc, is running low on zinc reserves which suggests a higher zinc price era (compared to pre-war) may be in the offing.

Even if fully adequate zinc ore reserve should not be available right after the war, construction of a smelter might provide a powerful stimulus for the discovery and placing in production of new mines with a zinc content.

Quebec's Gold Output Lower by 115,599 oz.

A decline in gold production has been experienced in Quebec the first nine months of 1943 with output totalling 719,027 oz. of gold compared with 834,626 oz. for the corresponding period in 1942. Some recovery was shown in September, however, output in that month amounting to 73,651 oz. of gold compared with 70,963 oz. for the preceding month.

While gold production has been on the decline this year, Quebec's silver output has increased substantially. Output was 612,515 oz. for the first nine months of this year compared with 1,233,057 oz. for the corresponding period of 1942.

Production of gold by Quebec mines, as reported by The Quebec Bureau of Mines for the first nine months of 1943, is as follows:

QUEBEC GOLD OUTPUT
For Nine Months Ended Sept. 30, 1943

	Tons milled	Production oz.	Production $
Aldermac	197,950	943	36,306
Beattie	290,500	29,855	1,149,418
Belleterre	82,738	32,162	1,238,237
Canadian Malartic	239,377	24,051	925,964
Central Cadillac	23,512	3,491	134,404
East Malartic	255,519	39,312	1,513,612
Francoeur	49,381	8,095	311,657
Golden Manitou	211,672	8,929	343,766
Lamaque	213,665	61,746	2,377,221
Lapa Cadillac	23,481	5,535	213,098
McWatters	28,409	3,432	132,132
Malartic Gold Fields	178,412	34,918	1,344,343
Mic Mac Mines	105,061	15,669	603,256
Noranda	1,408,493	202,573	7,799,060
Normetal	159,445	2,455	94,517
O'Brien	51,476	18,527	713,290
Perron	91,641	23,108	889,658
Powell Rouyn	206,853	27,045	1,041,232
Senator Rouyn	73,257	10,770	414,645
Sigma	259,395	51,575	1,985,638
Siscoe	272,402	33,209	1,278,546
Sladen	171,786	15,636	601,986
Stadacona	105,737	17,455	672,018
Sullivan	113,565	28,957	1,114,844
Waite Amulet	480,401	11,268	433,818
West Malartic	66,613	7,935	305,498
Other mines	......	376	14,476
Total	......	719,027	$27,682,540

Production of clay products and cement has been lower in 1943 but output of lime has been higher. Clay products turned out were worth $1.2 millions against $1.4 millions for 1942 and cement output totalled 2.7 million bbl. for the first nine months of this year against 3.5 million bbl. for the same period last year.

Lime output for nine months was 283,666 bbl. against 262,228 bbl.

Company Reports

Canadian Collieries

Years ended June 30	1943	1942
Int. earned "B" deb. stk*	3.1%	3%
Working capital	$1,881,059	$1,822,116

*On basis of 50% of profits less 5% on "A" stock.

Operating under difficult conditions, Canadian Collieries (Dunsmuir) shows reduced profits for the year ended June 30, 1943. These amounted to $191,111 compared with $217,001 the previous year.

Labor costs are high and it has been hard to obtain sufficient labor to maintain production. Mine personnel has been continuously understaffed, and efforts by the company and the Government to correct this situation have been only partially successful. Price ceilings and increase in other operating costs have also contributed to the decline.

J. A. Boyd, president, reports the company is undertaking a program of building housing accommodation at its Comox and McLeod mines in anticipation of additional men being sent there to work.

The president also reports that 53,200 shares "A" income debenture stock were purchased and cancelled by the company at a cost of $249,515. Under the terms of the trust deed 50% of last year's profits were assigned to the payment of interest on the "A" & "B" income debenture stock, there being sufficient profits this time to pay interest on the "B". Half went into a fund for redemption of this stock. Working capital was increased slightly.

The president states further:

"During the year the company operated two mines in the Comox area, and two mines in the Nanaimo area as well as the McLeod Mine in Alberta. Operations of the domestic mine on Vancouver Island have been continued somewhat longer than was expected, but the limits of the basin have been reached . . . the development at the McLeod mine has been extended and offsets the depletion in the Island's domestic pits."

Mining Options

Aumaque Gold Mines—By agreement Oct. 5, 1943, 1,999,194 shares optioned to Harvey Marvin; 200,000 shares at 5c each payable by March 29, 1944; blocks of 100,000 shares each at 8c and 10c a share payable by Sept. 29, 1944; blocks of 200,000 shares each at 15, 21, 30, 40, 50, 60 and 70 cents a share payable by March 29, 1948, with balance at 80c a share payable by Sept. 29, 1948. Authorized capital is three million shares with 1,000,006 shares issued.

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Burton Mines—By agreement Oct. 8, 1943, 876,000 shares optioned to J. L. Gilbert: 176,000 shares at 8c a share and blocks of 100,000 shares each at 10, 12, 15, 18, 20, 25 and 35 cents a share, payable $3,000 monthly for six months, $4,000 a month for six months thereafter and the balance at $6,000 a month. Authorized capital is three million shares with 1,089,000 shares issued.

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Cardiff Fluorite Mines—By agreement Sept. 17, 1943, Fred R. Marshall agreed to purchase 50,000 shares at 15c a share payable by Dec. 17 and was granted an option on 350,000 shares, 150,000 at 15c a share payable by May 17, 1944, and 200,000 shares at 20c a share payable by Nov. 17, 1944. Authorized capital is two million shares with 707,393 issued.

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East Amphi Gold Mines—By agreement June 24, 1943, Howey Gold Mines optioned 1,925,000 shares (of which 237,000 have been paid for) as follows: 188,000 shares at 10c each payable on or before expiration of six months after cessation of hostilities; 200,000 shares at 15c a share payable within nine months after above date; blocks of 400,000 shares each at 20 and 30 cents a share payable 21 months after above date, with balance at 40 to 55 cents a share payable within 27 months after above date. Authorized capital is three million shares with 1,325,010 issued.

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Herman Lake Gold Mines—By agreement Oct. 27, 1943, J. B. Streit agreed to purchase 150,000 at 10c each payable forthwith and a further 150,000 at 10c a share within 10 days and was granted an option on 1,600,000 shares as follows: 700,000 shares at 10c a share; 500,000 shares at 15c a share; 400,000 shares at 25c a share at the rate of 200,000 shares every 60 days. Authorized capital is 3.5 million shares with 1,565,971 issued.

Dividends Declared

	This payment $	Date payable	Date of record
Ang. Can. Tel., A	.15	Dec. 1	Nov. 10
Amal. Electric	.30	Jan. 2	Nov. 30
Aluminium	2+2	Dec. 6	Nov. 10
Do., pref.	†1.50	Dec. 1	Nov. 5
Atlas Steels 2nd pf.	1.75	Nov. 15	Nov. 1
Aunor Gold M.	.05	Dec. 1	Nov. 8
Agnew Surp. pfd.	1.75	Jan. 3	Nov. 30
Am. Cyan. A. B.	‡†.15	Jan. 3	Dec. 11
Do., pref.	†.12	Jan. 3	Dec. 11
Bk. Can. Nationale	1.50	Dec. 1	Nov. 15
Bruck S. Mills	■.10	Dec. 15	Nov. 15
Bank of Montreal	1.50	Dec. 1	Oct. 30
Bank of Toronto	2.50	Dec. 1	Nov. 15
Brazilian Tr. ord.	1	Dec. 1	Oct. 14
Bathurst Pr. & P., A	.25	Dec. 1	Oct. 29
Belding Cort.	1	Jan. 3	Nov. 30
Do., pref.	1.75	Jan. 3	Nov. 30
Can. & Dom. Sugar	.20	Dec. 1	Nov. 15
Can. Malting	.50+.50	Dec. 15	Nov. 15
Can. Wire & C., A	1	Dec. 15	Nov. 30
Do. (B)	.25	Dec. 15	Nov. 30
Do., pref.	1.62½	Dec. 15	Nov. 30
Canada Dry	†1.25	Dec. 10	Nov. 24
Canada Iron. pfd.	3	Nov. 15	Oct. 31
Can. Fdrs. Forg. A	37½	Dec. 15	Dec. 1
Do., (B)	1.50	Dec. 16	Dec. 1
Can. Nor. Power	■.15	Jan. 25	Dec. 20
Do., pref.	■1.75	Jan. 15	Dec. 20
Can. Fairb. M. c.	.25+.50	Dec. 1	Nov. 15
Can. For. Invest. pf.	■2	Jan. 1	Dec. 1
Can. Ind. Alc. A B	.25	Dec. 6	Nov. 5
Can. Bakeries, pfd.	1.25	Dec. 1	Oct. 30
Can. Breweries, pfd	.85	Jan. 1	Nov. 15
Can. & For. Secs.	.06	Feb. 1	Jan. 17
Can. Food Prod.	.50	Jan. 1	Nov. 30
Candn. Car. pfd.	.53	Jan. 10	Dec. 21
Can. Malartic G.	.02	Dec. 22	Nov. 17
Corr. Paper Box pf.	1.75	Dec. 1	Oct. 30
Cockshutt Plow	.25	Dec. 1	Oct. 30
Crow's Nest Coal	1.50	Dec. 2	Nov. 8
Canadian Oil, c.	.25	Nov. 15	Nov. 1
Do., extra	.20	Dec. 15	Dec. 1
Crown Cork	.50	Nov. 15	Oct. 15
Can. Int. Inv. Tr. p.	.50	Dec. 1	Nov. 1
Consumers Glass	.50	Nov. 30	Oct. 29
Corporate Inv., A, B	.12	Nov. 15	Oct. 29
Cosmos Imperial	.30	Nov. 15	Oct. 30
Coniaurum M.	■.04	Dec. 22	Nov. 19
Com. Div. Std. Sec. p.	.75	Dec. 15	Nov. 15
Dom. Env., pfd.	.87½	Dec. 1	Nov. 20
Dom. Bridge	.30	Nov. 25	Oct. 30
Dom. Ang. Inv. pf.	1.25	Dec. 1	Nov. 15
Dom. Coal pfd.	▲1.88	Jan. 2	Dec. 10
Dom. Scot. Inv. pfd.	.50	Dec. 1	Nov. 2
Dom. Stores	.10	Dec. 20	Nov. 24
East. Steel, c.	.25	Dec. 1	Nov. 10
Falconbridge N.	■.07½	Dec. 22	Nov. 17
Gen. St. Wares, p.	1.75	Nov. 15	Oct. 22
Granby Cons. M. S.	■†.15	Dec. 1	Nov. 15
Gt. Lakes Pap. A, B p.	.75	Dec. 31	Dec. 1
Howey Gold	.01	Dec. 10	Oct. 30
Hudson's Bay, pfd.	10s	Jan. 1	....
Ham. Cotton, c.	.22½	Dec. 1	Oct. 30
Hudson Bay M. S.	1	Dec. 13	Nov. 9
Hallnor Mines	.05	Dec. 1	Nov. 10
Hinde & Dauch, p.	.25	Dec. 20	Dec. 1
Inter. Nickel, c.	†.50	Dec. 31	Dec. 1
Imp. Tob. ord.	.10	Dec. 31	Nov. 16
Inter. Power pfd.	1.75	Jan. 3	Dec. 10
Do., arrears	5	Nov. 30	Nov. 10
Invest. Found.	.25	Jan. 15	Dec. 15
Do., pref.	.75	Jan. 15	Dec. 15
Island M. Mines	.02½	Dec. 20	Nov. 19
Lake of W. Mill.	.30	Dec. 1	Nov. 3
Do., pref.	1.75	Dec. 1	Nov. 3
Lake Shore Mines	.20	Dec. 15	Nov. 15
Langley's pref.	■.50	Dec. 11	Dec. 3
Laura Secord	■.20	Dec. 1	Nov. 1
London West. Trust	1	Nov. 15	Oct. 31
Leitch Gold	.03	Nov. 15	Oct. 15
Loblaw Groc., A, B	.25+.12½	Dec. 1	Nov. 2
Madsen R. Lake	.03	Dec. 16	Nov. 17
Montreal Loan	.31¼	Dec. 15	Nov. 30
Mtl. Refrig., pfd.	▲1.25	Dec. 16	Dec. 4
Montreal Cottons	1	Dec. 15	Nov. 15
Do., pref.	1.75	Dec. 15	Nov. 15
McIntyre Porc.	.55½	Dec. 1	Nov. 1
Do., extra	1.11	Jan. 3	Nov. 1
Mitchell Robt.	1	Dec. 15	Nov. 15
National Biscuit p.	†1.75	Nov. 30	Nov. 12
Negus Mines	■.02½	Dec. 11	Nov. 20
Nor. Empire Mines	.20	Dec. 15	Nov. 12
N.S. Lt. & Pr. pf.	1.50	Dec. 1	Nov. 13
Noranda Mines	1	Dec. 15	Nov. 15
Ogilvie Flour, pf.	1.75	Dec. 1	Oct. 29
Ogilvie Flour, c.	.25	Jan. 3	Nov. 26
Ont. Silknit, pfd.	▲1	Nov. 15	Nov. 1
Ont. Steel Prod.	.25	Nov. 15	Oct. 15
Do., pref.	1.75	Nov. 15	Oct. 15
Ottawa L. & Pr.	.15	Jan. 1	Nov. 10
Do., pref.	1.25	Jan. 1	Nov. 10
Paymaster Cons.	■.01	Jan. 10	Dec. 10
Penmans	.75	Nov. 15	Oct. 15
Pickle Crow G.	.05	Dec. 31	Nov. 30
Powell Rouyn	.02	Dec. 1	Nov. 15
Power Corp., pfd.	■1.50	Jan. 15	Dec. 20
Do., 2nd pref.	■.75	Jan. 15	Dec. 20
Paton Mfg.	1	Dec. 15	Nov. 30
Do., pref.	1.75	Dec. 15	Nov. 30
Pamour Porc.	.05	Dec. 20	Nov. 19
Pato Cons. G.	.15	Dec. 3	Nov. 12
Prov. Bank	1.25	Dec. 1	Nov. 15
Quebec Power	.25	Nov. 25	Oct. 25
Regent Knit., pref.	.40	Dec. 1	Nov. 2
Reliance Grain. p	■1.62½	Dec. 15	Nov. 30
Do., arrears	1.62½	Dec. 15	Nov. 30
Rolland Paper	.15	Nov. 15	Nov. 5

Dividends Declared (Cont'd)

Do., pref.	1.50	Dec. 1	Nov. 15
Royal Bank	1.50	Dec. 1	Oct. 30
Shawinigan W. Pr.	.22	Nov. 25	Oct. 25
Siscoe Gold M.	.01½	Dec. 15	Nov. 12
South Can. Pwr., c.	.20	Nov. 15	Oct. 20
Do.,	.20	Feb. 15	Jan. 20
Do., pref.	■1.50	Jan. 15	Dec. 20
Sullivan Cons.	.02½	Nov. 15	Oct. 15
Tip Top Tail. Inc. p.	1.65	Nov. 15	Oct. 30
Toburn Gold	.01	Nov. 22	Oct. 22
Tor. Elevators, pref.	.66	Dec. 7	Nov. 25
Un. Amuse. A. B.	.40	Nov. 30	Nov. 15
United Corp., A	.37	Nov. 15	Oct. 15
Upper Can. Mines	.02½	Nov. 27	Nov. 13
Walker-Good.	1	Dec. 15	Nov. 12
Do., pref.	.25	Dec. 15	Nov. 12
Wilsil	.25	Jan. 2	Dec. 1

■Subject to approval of Foreign Exchange Control Board. ▲On arrears.

†Payable in N. Y. funds.

‡ Plus 75c, payable in 5% pref. stock in ratio of 1 pref. for each 13 1/3 sh. A or B held, payable Dec. 2/43 of record Nov. 12. Fractional sh. in cash.

The Week in Oils

From Our Own Correspondent

CALGARY. — Twenty-six new well-sites—not far short of one new location per day — were staked in Alberta during October This is believed to have set a new high for any month in the history of the Alberta oil industry. It reflects increasingly intensive efforts to enlarge the flow of oil from the province's proven and potential fields.

October locations included 17 sites in "proven" territory or "offset extensions" to proven acreage, and comprised seven new wells in Turner Valley, Canada's No. 1 oilfield; nine new wells at Vermilion, shallow "heavy crude" field on the Central Plains; and one well as an extension test adjacent to the Dominion Oil producers at Taber on the southern plains. In addition to these, October locations included nine "wildcats," two in the Viking area, and one each in the Erickson Coulee, Grassy Lake, Lloydminster, Pinhorn, Pincher Creek, Taber and Wrentham areas.

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Majors Drill Ten

Analysis of the 26 October locations shows that the major oil companies accounted for 10 sites, four in proven or extension locations, and six in wildcat areas. The Dominion Government accounted for eight proven or extension area locations, three in Turner Valley through the Crown company, Wartime Oils Ltd., and five in the Vermilion field, through the nationally owned C.N.R. subsidiary, Cannar Oils Ltd. Independent oil operators also accounted for eight October locations, five in proven or extension areas, and three wildcats.

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Five new locations on the Central west flank of Turner Valley were added in a week. Okalta Oils announced locations for Okalta No. 16 and 17 on Oct. 30, and sites for Okalta Nos. 18 and 19 on Nov. 3. Anglo-Canadian Oil Co. announced site for Anglo-Canadian No. 13 on Nov. 4. Cellars and foundations are being readied at the five sites immediately, before severe winter sets in, under authority from Wartime Oils. All sites are tentatively slated for drilling with financial backing of Wartime Oils but the contracts have not yet been drawn up. Should contracts not be entered into, Wartime Oils will foot the bill for the preliminary work now being done.

• • •

Where Wells Located

The new locations are as follows:

Anglo-Canadian No. 13, L.S.D. 6 25-19-3w5, quarter of a mile north of the Argus 2 producer and same distance east of Anglo-Canadian 11 producer; Okalta Oils No. 16, L.S.D. 15 35-19-3w5, a quarter of a mile south of the Royalite 69 producer and the same distance north of a drilling Calmont well; Okalta Oils No. 17, L.S.D. 9 24-19-3w5, quarter of a mile north of the Renown 1 producer and the same distance east of the Okalta 11 producer; Okalta Oils No. 18, L.S.D. 7 6-19-2w5, offsetting drilling Okalata 15 to the south and producing East Crest 4 to the west; and Okalta Oils No. 19. L.S.D. 14 18-19-2w5, offsetting the drilling Okalta 14 to the north and the producing Okalta 9 to the east.

• • •

To Drill Deca 4

Marking the initial new wildcat location for November, drilling permit was issued this week for Deca No. 4, in the Athabaska area 100 miles north of Edmonton. The new site is in the southwest 10 acres of L.S.D. 2 15-66-23w4th. The Deca 4, another joint Davies Petroleums and East Crest Oils venture, is to be drilled immediately, ahead of the previously staked Deca 3. Cellar and foundations were recently completed at No. 3, in L.S.D. 13 32-65-23w4th, but weather conditions have temporarily made the road to the site impassable. In view of this, Deca 4 was staked, and the Davis Pete. light rotary which had been slated for No. 3 is being shifted to No. 4.

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The number of Turner Valley drilling wells was boosted to 21 last week by the spudding in of two more wells. Home Millarville No. 17, north extension west flank test in L.S.D. 18-21-3w5 was spudded in Nov. 20. This well offsets the Atlas-B.D. 2 producer to the west, Northclonmel 1 to the north and Maryland 1 to the south. Backed by Home Oil Co., it is being drilled by Drilling Contractors. Calmont No. 1a, central west flank test in L.S.D. 10 35-19-3w5, was spudded in Nov. 4. Backed by Wartime Oils Ltd., the well is being drilled by Calmont Oils Ltd.

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McColl Test Starts

Contractors Newell & Chandler spudded in the McColl-Frontenac No. 6-8-1-8 test in the Pinhorn area Nov. 2. It was expected that surface pipe would be set around 300 ft. by last weekend. The well is just north of the Alberta-Montana border in L.S.D. 5 8-1-8w4.

Imperial-Erickson Coulee No. 1 Alberta-Montana border test in L.S.D. 6 7-1-12w4, was spudded in by Imperial Oil Oct. 30 and was carried to 500 ft.

Cantex Drilling Co. has spudded in the Dominion Oil Co. Taber-Province No. 17-18b and surface casing has been set to 152 ft. This well is an extension test in the Taber oil producing area. Dominion's Wrentham-Province No. 1 wildcat, about midway between Taber and the Montana border, is down 208 ft.

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Hopeful at Lloydminster

The Commonwealth Drilling Co. initial test north of Lloydminster, Red Star No. 1, completed drilling at 1,966 ft. and cemented casing Oct. 31, at 1,956 ft. A gas-bearing sand and two oil-bearing sands were cored, according to Commonwealth officials, and a productive outlook is regarded as promising. A gas sand came in between 1,728 ft. and 1,749 ft., the first oil sand above the point where the casing was set, and the second and best sand between 1,956 and 1,966 ft. An electro-log was run after completion of drilling. The Red Star well is located two miles northwest of Lloydminster, 2¼ miles east and the same distance north of the Sparky 1 producer, and about 4 miles northwest of the Shaw 2 producer. These wells are both small producers.

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Vermilata Test Results

In the Vermilion field, the Vermilata-Grand Prairie No. 1 well has now completed its first ten days on pump, with total recovery in the period of 565 bbls. or an average of 56.5 bbl. per day. The recent completion, it now appears, is comparable to Holly 1, the current largest producer in the field.

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The Pacific Oil & Refining No. 1 well at Del Bonita, which confirmed its Madison lime objective at 5,035 ft., halted coring last week at 5,080 ft., and 45 ft. in the Madison and by last weekend had run and cemented production string of casing at 5,062 ft. The lime is described as quite porous and well saturated with oil. Contractor Pat Adams' heavy duty rotary used to drill the well, is now being dismantled for transfer to the Pacific Oil & Refining test at Twin River, currently bottomed at 40 ft. While drilling gets underway at this new test, Pacific's light power rig will be installed at Del Bonita test for use in drilling out the plug and carrying out production tests.

Mining Concentrates

Island Mountain Mines, which experienced a drop in monthly tonnage from 95 tons a day in January to 50 tons a day in April, appears to have its operations on a more stabilized basis now with an average of 55 tons daily treated in September. In spite of a severe manpower shortage, the company has been able to maintain its ore reserve position, the president stated recently, and has declared a dividend of 2½c. a share payable Dec. 20, 1943, to shareholders of record Nov. 19.

• • •

Normetal development on the first three levels below the 2,000-ft. level continued to give good results during the third quarter and additional development of the 2,600-ft. level was satisfactory as to width and grade. Shortage of labor hampered operations in the third quarter. Tonnage of copper-zinc ore treated, however, was approximately 6.5% higher than in the previous period, but considerably below that of the first quarter of the year. A shortage of hydro-electric power necessitated the greater use of Diesel-generated power at increased cost. Estimated operating profits for the nine months ended Sept. 30, 1943, amounted to $351,545.

• • •

Sladen Malartic Gold Mines operating profits may show an increase now that the expense of opening up new ore on levels at 1,100 and 1,250 ft. is out of the way and ore of good grade from these levels has been made available for milling. Operating profit for the third quarter at $8,569 was only slightly above the $6,492 of the previous quarter and was substantially below the $61,934 realized in the first quarter of this year. Working capital at Sept. 30, 1943, was $575,249 compared with $573,934 three months earlier. Development of the 1,400-ft. level is being continued on a small scale only due to shortage of labor. Surface diamond drilling is being carried out on the company's northern claims with nothing of importance located as yet.

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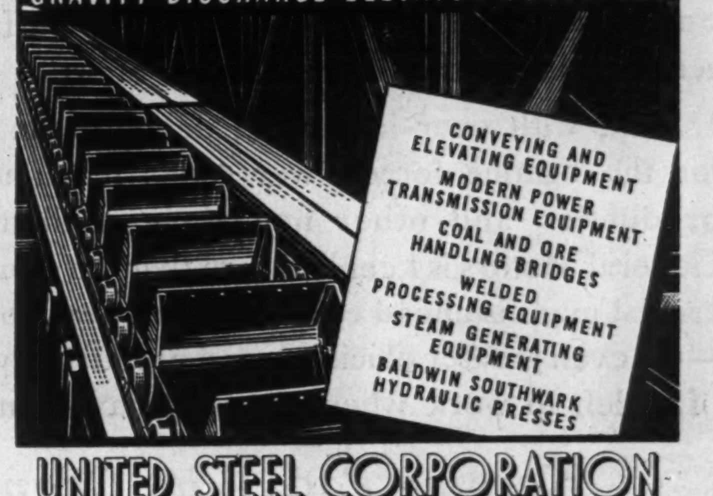
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War production is at a tempo undreamed of in days gone by.

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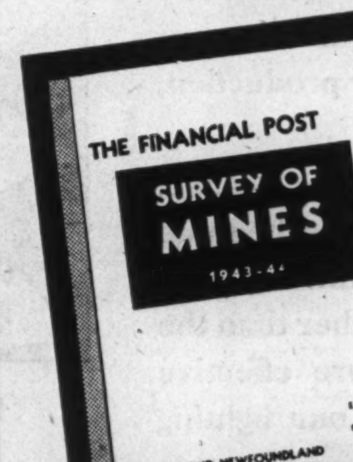
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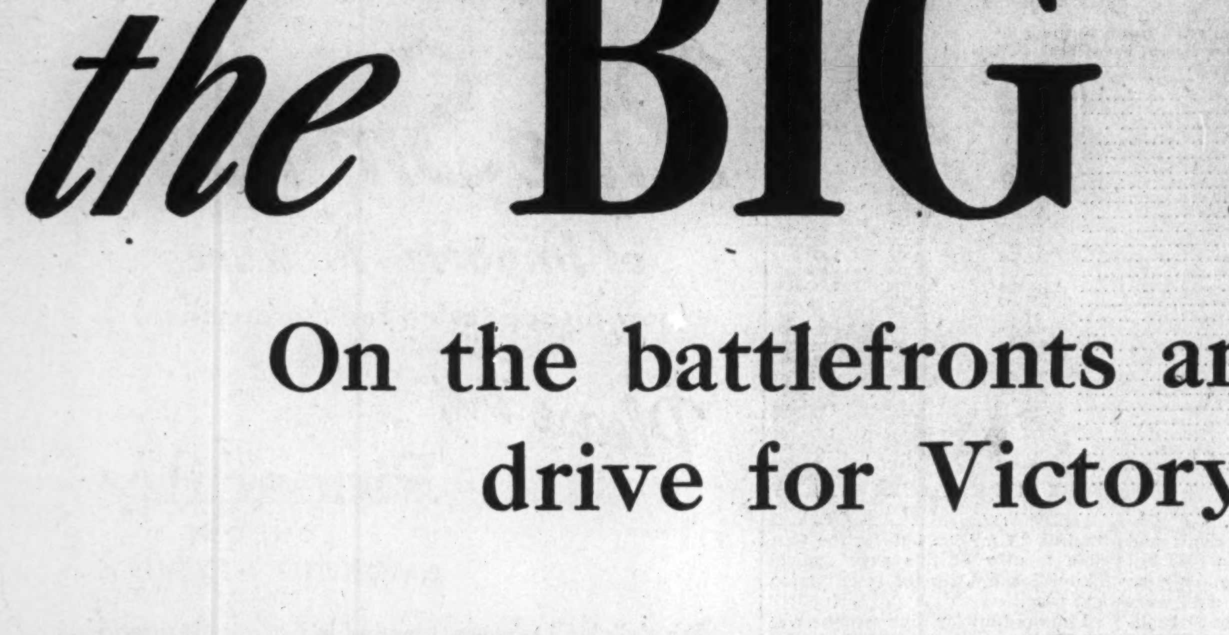
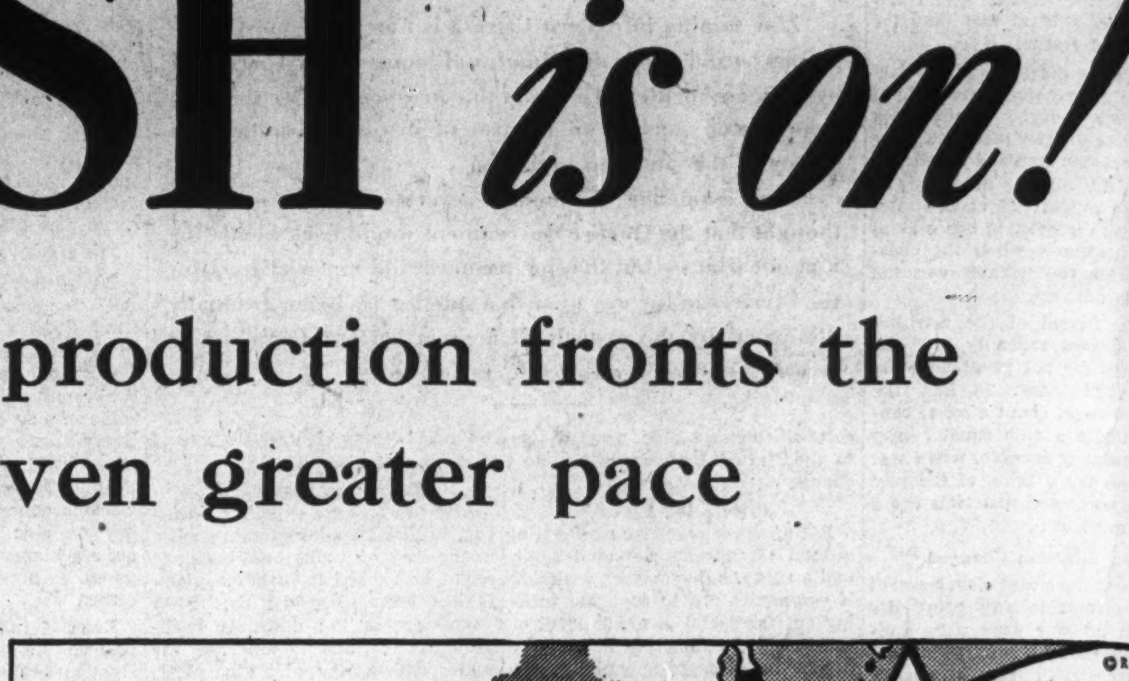
On the battlefronts and on the production fronts the drive for Victory sets an even greater pace



Even as this message is released, the fleets and armies and air power of the United Nations press in upon our enemies from all directions. In Europe, the attack comprises (1) mighty air blows from Britain; (2) assault by sea, air and land from Africa and through Italy; (3) the irresistible power of the great Russian war machine rolling on and on.

Against Japan there are (1) attacks by air and land through China and from India; (2) a relentless push up through New Guinea from Australia; (3) successful attacks by Allied fleets on enemy outposts; (4) recovery of the Aleutians as a base for possible future offensive operations.



WITH the walls of Hitler's Europe breached—with Allied might pushing forward in the Pacific—with the Great Attack now under way on every battlefront—the production front, too, is gearing itself to the bitter, decisive effort.

And with ever-increasing demands on manpower for the fighting forces, war goods manufacture, food production and other necessary civilian activities, General Motors is keenly aware that the demands of the crucial months ahead call for utmost devotion to the job—for even greater efficiency and productivity from those of us left to work when so many have gone to fight.*

Keeping Pace With Change

Successful production for war means change—change to match or surpass the improved weapons of our enemies—change to fit our weapons to new and constantly changing theatres of war—change to build our own improvements and new designs into our war production, to make it always better.

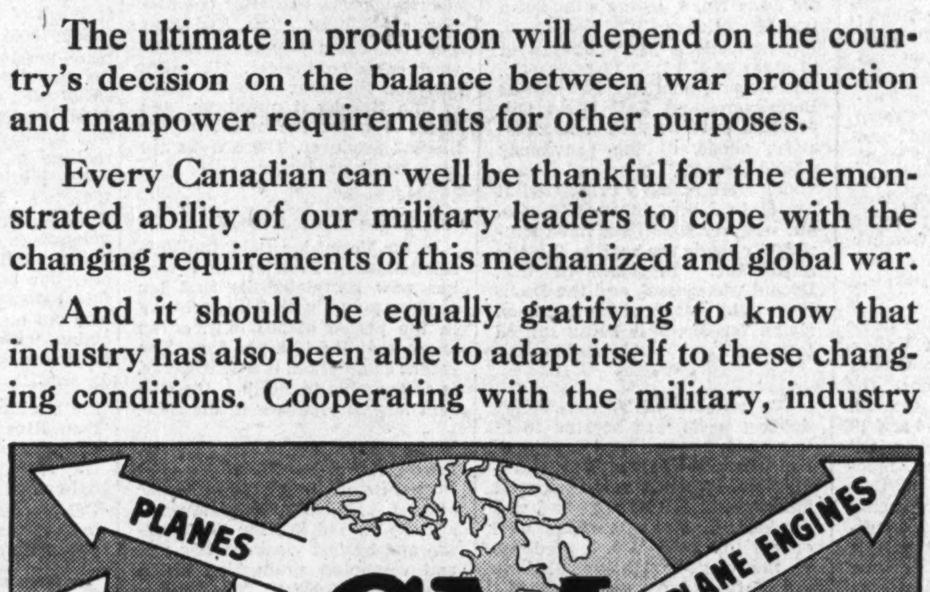
General Motors is meeting this demand for change, with all the difficult problems it presents, and at the same time continuing to push production higher and higher—now 40% above a year ago—each quarter higher than the last. Through improved methods and more effective organization of production we are giving our fighting forces more and more vehicles, guns, planes, tanks and other war supplies.

We know our job is to give our armed forces "what they want when they want it."

The ultimate in production will depend on the country's decision on the balance between war production and manpower requirements for other purposes.

Every Canadian can well be thankful for the demonstrated ability of our military leaders to cope with the changing requirements of this mechanized and global war.

And it should be equally gratifying to know that industry has also been able to adapt itself to these changing conditions. Cooperating with the military, industry in Canada and the United States is performing the greatest production feat in all history.



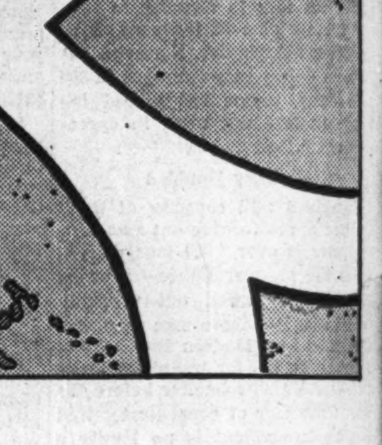
A continuous flood of war materials goes out from 105 General Motors plants in 50 cities of Canada and the United States to our fighting forces the world around.

The Job Ahead

The crucial months ahead will doubtless bring equal if not greater problems, as new strategies call for new equipment.

There must be no let-up in war production. There must be the utmost devotion to the job on the part of every man and woman in industry. We are acutely conscious of the need for *increased* effort, *improved* methods, *greater* efficiency and, above all, *more effectiveness from available manpower.*

THIS CHART SHOWS THE INCREASING PHYSICAL VOLUME OF GM WAR PRODUCTION, MONTH BY MONTH.



In full realization of this challenge, we nevertheless are confident that, in cooperation with our military leaders, General Motors will meet its responsibilities. As long as the "Big Push" is on along the battlefronts, the production push for more and better weapons will continue in General Motors plants—so that we may deliver, as we are now delivering, our allotted share of the overwhelming air power, fire power, armored power, mobile power and sea power which, on battlefronts the world around, already foretell the Axis' doom.

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